The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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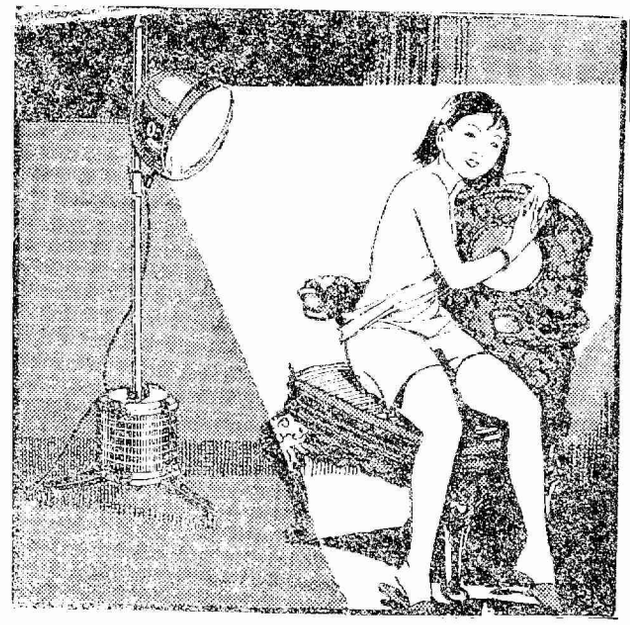

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WASHINGTON OFFICE
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Colorado Building, Washington, D. C.

BRITISH WOMEN REMAIN BRITISH AFTER MARRYING AMERICANS

WHEN the United States of America a decade ago enacted a law the essence of which is that the marriage of a woman in no way affects her political status it upset the procedure which had been followed since the time of Adam, namely that when a woman is married she not only takes his name but also his nationality—or his tribe, as the case happened to be. The object of the American women who secured the passage of the law was to prove the equality of women with men. That was a beautiful theory to work upon, but in its practical aspects it worked out in an amazing manner, as many a woman, particularly in China, has found out. Just to take the example of an American woman marrying an Englishman or a British woman marrying an American, the result has been that in the former case the American woman has had two nationalities and in the latter case the former British woman had no nationality at all. That has been the case since the American law went into force a little over a decade ago. But for the American woman who married a Britisher (the same would be true of any European nationality), before the present law went into effect there was no mercy under the American immigration laws. She had to come back to her country as an alien. There was the case a few years back of an American women who lived in Shanghai for several years, who had married an Englishman; when she returned to her native land she was threatened at the end of six months with deportation as an alien. The British Government has now passed a new law to clear up the anomaly so far as British women are concerned; and that it was an anomalous situation was made evident in a case which occurred in Shanghai some years back when a British woman, by profession a clairvoyant, suddenly married her American manager and as such lost her British nationality and failed to acquire American nationality. She did this deliberately to avoid the British law against such a profession. The Police of Shanghai had already brought a prosecution against her, and the British prosecutor tried to induce the British Court to hold her for that reason, but to no avail. By her prompt marriage she became subject to Chinese law and as such she was safe from prosecution, as under Chinese law fortune-telling is a perfectly legal and honorable profession. The British Judge decided the case by simply reading a few words from the law book to the effect that a married woman who was the wife of a British subject should be deemed to be a British subject and a married woman who is not the wife of a British subject should be deemed to be *not* a British subject. This has now been changed by a British law enacted last November. The British law now is that if a British woman marries a man from a country where she does

not acquire his nationality (that is, the United States of America) she retains her British nationality. The gist of the text of the law is as follows:

BRITISH NATIONALITY AND STATUS OF ALIENS ACT, 1933

Dated 17th November, 1933. To amend the law relating to the national status of married women so far as is necessary to give effect to The Hague Convention on certain questions relating to the Conflict of Nationality Laws, 1930.

The Act provides, with retroactive effect that a woman who is a British subject before her marriage to an alien and who, on her marriage does not acquire the nationality of her husband in accordance with his national law is to be deemed to have remained a British subject.

There is, naturally, nothing to prevent such a British woman who has married an American becoming in due course an American citizen by complying with the naturalization laws.

WHEN IS THE PANCHEN LAMA GOING TO LHASA?

MORE than two months have elapsed since the Dalai Lama of Tibet died and in the meantime speculation has been rife on the what effect, if any, his passing would have on the future of the mysterious realm over which he held away.

It was a well known fact, even though not officially admitted by Downing Street, that the late Dalai Lama was a British puppet who kept Tibet virtually closed to everyone excepting England although the area was historically a part of the old Chinese Empire. Further, there seems little doubt that the British instigated the Tibetan assault in recent years on western Szechuen and Yunnan that was going full blast when the Dalai Lama shuffled off his mortal coil. Since the death of the Dalai Lama, this invasion into China proper appears to have ceased although the Tibetans have not retreated from the positions they have captured.

For years it had been anticipated that as soon as the Dalai Lama died, the Panchen Lama would proceed promptly to Tibet to attempt to take over the reins of power. The Panchen Lama has been living in China over since he was forced to leave Tibet in 1923 because of his opposition to the pro-British policies of the Dalai Lama. The Panchen Lama has generally been regarded as pro-Chinese in that he preferred Tibet to resume its old position as a semi-independent part of China instead of continuing its more recent status as a semi-independent part of the British Empire. It has also been generally believed on the basis of reliable reports that the Panchen Lama has ever had a strong following in Tibet, particularly among the more conservatlve elements of the population who fear that British influence will eventually result in the westernization of the country.

But at the moment there appears to be no prospect that the Dalai Lama plans to return to Tibet. Naturally, the question arises, Why? The answer, in part, was perhaps contained in a significant interview of M. A. LePalud, of the *Journal de Shanghai*, with the Panchen Lama that was summarized in the last issue of the *China Weekly Review*.

"Would you be glad to return to Tibet?" M. LePalud asked the Panchen Lama.

"Certainly," His Serene Highness replied, "but that does not depend on me. I follow the instructions that are given me by the National Government of China. If the Nanking Government feels that I ought to resume my post in Tibet, I will be glad to return to Lhasa."

What the British might think about his return, avowed His Serene Highness, did not matter. But M. LePalud recorded that the Panchen Lama lost his smile and became very much embarrassed when asked if he thought "the death of the Dalai Lama will bring about any political changes in Tibet" that would give China "the opportunity to reinstate its influence in that area." After considerable floundering, the Panchen Lama finally replied that "only religion counts in Tibet."

Later, when asked what is the interest of England in Tibet, the Panchen Lama declared that Britian merely "keeps up relations with Tibet as a good neighbor" with nothing but expansion of commerce in mind. There was not even an intimation from the Panchen Lama that he himself was forced to leave his native land because of British influence.

All of which is most intriguing, and it is especially worthy of note that the person who obtained this revealing interview was a *French* journalist. In this connection, the reader may recall Wilbur Burton's articles in these columns about six months ago on "The French Strangle-Hold on Yunnan" wherein was outlined the close connection between the situation in Tibet and the situation in Yunnan. Mr. Burton quoted a high authority on Tibet whom he could not identify for political reasons as citing that a large number of the Tibetan lamas were opposed to British influence and hence could be expected upon the death of the Dalai Lama to rally around the Panchen Lama for a rapprochement between Tibet and China. Thus the British *raj* in Tibet would be threatened.

And "if British hegemony is threatened by the death of the present Dalai Lama," said Mr. Burton on the basis of his information, "Downing Street will be forced to take vigorous action or face the prospect of losing Tibet. Consequently, actual annexation of the area by England looms,—and France could hardly afford to see such an upset in the balance of power in Central Asia without some counter-action, which most likely would be the annexation of Yunnan."

Mr. Burton's authority, of course, based his analysis on the supposition that the Panchen Lama, with the aid of the Nanking Government, would be prompt to capitalize the death of the Dalai Lama by proceeding, or at least attempting to proceed, to Lhasa without delay. Anti-British as the majority of the lamas in Tibet may be, they are probably not in a position to defy London without some outside assistance,—particularly since the Tibetan army, or at least a large section of it, is partially or wholly Anglicized through the training of the officers in India. Further, England virtually controls the supply of arms and munitions to Tibet.

So unless the Panchen Lama, who for more than a decade has been regarded in Tibet as its anti-British leader, goes to Lhasa to take advantage of the present opportunity, there would not appear to be much prospect of England losing her grip there. And if the British *raj* can survive the death of the Dalai Lama, it is not likely to be challenged at any time in the predictable future.

Britian Acts Cautiously Concerning Status of Manchukuo

The Japanese Government is using the postal situation in Manchuria as a sort of entering wedge, or bait, to secure recognition for Manchuko. So far, among other countries, Britain has refused to be inveigled.

The British Postmaster-General recently received a letter from the Manchukuo Postal Administration with the request to be furnished, in accordance with the clauses of the International Postal Union Convention, all the necessary data for the liquidation of outstanding accounts on expenses for transit mail, resulting from correspondence sent via Manchukuo.

The British Government, in this connection, in transmitting the letter to the League of Nations, expressed the view that it would be useful to establish the extent to which *de facto* relations can be authorized between the foreign postal administrations and the postal authorities of Manchukuo, without in any way implying recognition of the regime at present existing in Manchuria.

Britain Retaliates Against French Restrictions

The House of Commons Feb. 15 approved the British Government's retaliatory tariff measures against France, but in the meantime friendly efforts are being made by Britain to induce France to remove certain import restrictions on British goods.

Soviet Thunderbolts and Japanese Olive Branches

THE most constant aspect of the rapidly changing world since 1931 has been the threat of a Soviet-Japanese war,—and today such a war appears just as remote, or just as near, as it ever did, depending on how one looks at it. Formerly it was Tokyo hurling defiance at Moscow while the Kremlin spoke softly or not at all on the subject; now it is Moscow who is in the belligerent role while Nippon, rather shyly, holds forth olive branches. But the tension continues, and while only time can reveal what is in store, certain recent statements from both sides are, in view of the existing situation, highly significant.

Most outstanding on the face of it, was the statement in New York on February 9 of Miroshi Saito, new Japanese ambassador to the United States. "Russia," said Mr. Saito, according to a Reuter report, "does not want to fight us and we do not want to fight them . . . . . *War with Russia would mean war with all other nations, including the United States, and we do not want to commit suicide.*"

Mr. Saito's rather startling expression lends itself to at least three interpretations. One is taking it at its face value,—but, alas, few Japanese statements can be taken thus. Second, it might be taken to indicate that Japan was preparing to strike very soon at the Soviet Union. Third, it may have been a feeler to determine just how other nations, or at least certain nations, would stand in event of a Soviet-Japanese clash.

Mr. Saito's interview crowned more than a month of the most belligerent manifestoes the Soviet Union has ever issued in its history. The first of the series was on December 29 when M. Litvinov, Soviet Commissar of Foreign Affairs, declared before the Central Executive Committee of the U.S.S.R. that the Red Army "could teach any of our far and near neighbors to remain within its own frontier for decades." Vigorously scoring the anti-Soviet policies of both Germany and Japan and charging the latter with bad faith and attempts to seize the Chinese Eastern Railway, M. Litvinov cited the increasing cordiality of the U.S.S.R. and Italy, the resumption of Russo-American relations, and the rapprochement last year between the U.S.S.R. and France, adding, however, *that Soviet-British relations continued to "lack stability, since there exists in Great Britian elements still dreaming of joint capitalist struggle against socialism.*"

Not long after M. Litvinov's speech, on January 9, further evidence of the Franco-Soviet rapprochement was provided with the announcement that negotiations between the two countries for a new trade agreement had been satisfactorily concluded. "Political commentators," said Reuter, "expect the economic ties between the two countries to strengthen their political bonds." About the same time, incidentally, trade relations between England and France became so strained that an open trade war subsequently resulted.

On January 22, a Reuter dispatch from Tokyo quoted an unnamed Foreign Office spokesman as deploring various Soviet allegations that Japan was preparing to invade the U.S.S.R. Further, the spokesman was especially pained that such "pernicious propaganda" was "seemingly gaining credence even among responsible foreign statesmen such as M. Herriot, former French premier, and William C. Bullitt, American ambassador to Russia." The next day, Koki Hirota, Japanese Minister of Foreign Affairs, voiced more pain over the situation.

"Recently," he said, "the attitude of the Soviet Union toward Japan seems to have undergone a change of some sort. It is most surprising and regrettable that the Soviet Union should now take to broadcasting at home and abroad through the press and other channels unwarranted criticisms directed against Japan . . . . Japan has consistently preserved her fair and equitable attitude towards the Soviet Union throughout these years before and after the Manchurian incident . . . . Indeed, it is only as part of the above-mentioned policy that Japan has undertaken since last June to act as intermediary between Manchukuo and the Soviet Union in their negotiations on the proposed transfer of the North Manchuria Railway (C.E.R.). Such being the case, I am sure that before long the Soviet Union must come to appreciate fully the true intentions of Japan. It is earnestly hopd that the North Manchuria Railway negotiations, which have unfortunately been at a standstill for some time past, will soon be resumed."

M. Hirota's soft words were met on January 27 with a thundering blast from Stalin that "those who attempt to attack our country will receive an annihilating reply to teach them not to venture again to poke their snouts into our Soviet garden." M. Stalin's defiant flight of rhetoric was the finale of a review of Soviet-foreign relations during which, like M. Litivnov, he pointed to the cordial relations now prevailing between the Soviet Union and the United States, France (including Poland), and Italy in contrast to the strained relations existing between Moscow and Berlin and Tokyo. Nor did he neglect to point out that "a section of British Conservatives cannot live" without attacking the Soviet Union with the result that relations between London and Moscow have never been none too cordial.

On February 2, M. Hirota again spoke, this time in an interview in the London *Daily Express*, declaring that "there is no reason to fear war between Soviet Russia and Japan." He added, howveer, that "The Moscow Government should sell the Chinese Eastern Railway to Manchukuo."

"This the more so," he continued, "as Manchukuo is now building new railroads which will finally render the railway in question quite useless. And as *long as the Chinese Eastern Railway is not sold, the feeling of animosity will continue to exist. The outstanding question at the present is the concentration of Soviet troops along the border.*"

Two days later Moscow was heard from again in a speech of M. K. Voroshilov, Commissar of War, in which he charged Manchuria was "gradually being turned into a powerful base for Japan," but that the Soviet Union was ready with tanks, machine guns, aviation, anti-aircraft defenses, etc. "And I know," he declared "that we all, as one man, are convinced that not only, we shall defend our Far East, but we also shall emerge victorious from any war, if we are forced into it."

"*We are,*" *he also said during his speech, "the factor for peace for the entire world. All nations which for some reason, for a long or short period, do not want war, or a war-grouping, cannot help grouping around us.*"

The next day, February 5, Gneeral Takashi Hishikari, Japanese commander and so-called ambassador in Manchukuo, declared in Dairen that Russia "misunderstands" Japan while M. Hirota, replying to a question in the Diet, stated that Nippon had never rejected Moscow's offer for ratification of a non-aggression pact, but that if all questions between Japan and Russia were settled amicably, he did not see the necessity of concluding any non-agression pact.

And on the next day, announcement was made in Moscow that the wages of soldiers and workers in Eastern Siberia and Transbaikalia would be substantially raised.

Then, on February 10—the day following M. Saito's interview in New York quoted at the beginning of this article—came the most bellicose statement of all from Moscow. General Bluecher (Galens, when he was in

China with the Nationalists some years ago), commander-in-chief of the Soviet Army in the Far East, told the congress of the Communist Party in Moscow that "despite the seeminly pacific statements of official leaders of Japanese policy, we see feverish preparations for war proceeding."

Japan, he said, had during the past two years built 1,000 kilometers of railways in Manchuria leading to the frontier of the U.S.S.R., had constructed 2,200 kilometers of roads either in the frontier areas or leading to them, had erected 50 airports and aviation bases in Manchuria, was maintaining 130,000 soldiers, or over one third of the whole Japanese army, in Manchuria together with 115,000 Manchukuo troops and 12,000 Russian Whiteguards, and had concentrated 500 airplanes in the puppet state.

"But," continued General Bluecher, "the Soviet frontier is girded with ferro-concrete and sufficiently solid to withstand even the strongest teeth. Any imperialist head intoxicated by military fumes will break against these fortifications . . . . *Our tanks and aviation will be able to fulfill their socialist duty before the Soviet Union, not only on the frontier, but also in some places in the deep rear of our imperialist adversary.*"

From all these statements and counter-statements, certain very important factors in the situation may be discerned. First, is that the Soviet Union feels ready for war. In all their history, Soviet statesmen have never been guilty of talking big unless they were in a position to back up their statements. The world may be reasonably sure that the Soviet Far East is an almost invincible armed camp unless there should be developments beyond the ken of mortal prophecy. But aside from military strength, the Soviet Union also feels reasonably secure that if war with Japan now comes, it will be with Japan alone. In a series of brilliant diplomatic maneuvers, the Soviet Union has pretty well secured its western front through a rapprochement with France (which includes Poland and many of the Balkan and Baltic states) and increasing cordiality with Italy. Germany, until she has had time to rearm, is not an important factor in the situation.

Most important of all, the Soviet Union has secured the friendship of the United States and probably a definite, tacit understanding for some sort of assistance in the event of war with Japan. Great Britain, however, is still a somewhat uncertain factor. Soviet-British relations are now none too cordial and, as M. Stalin indicated, there are powerful Tory elements in England which are seeking to make them less cordial. Nevertheless, a Soviet-British trade pact was concluded on February 16, but Reuter emphasized that it was only temporary and did not settle questions of debts, etc. Further, there was no indication that the pact, like the similar Franco-Soviet agreement, brought the two countries closer together politically.

The second important aspect of the deluge of statements, is that Moscow, despite her belligerency, does not want war with Japan, or any other country, at least at the present time. She has no incentive for new territory, and even a victorious war would be tremendously costly in both direct expenditure and in halting her far-reaching program of socialist construction. Hence, as M. Voroshilov said, the U.S.S.R. is "the factor for peace in the entire world" around which all nations which do not want war must rally.

The third conclusion that can be drawn is that, regardless of how much Japan's pacific statements may be discounted, and despite the substantial accuracy of the Soviet statements, Tokyo is really not anixous for war with the Soviet Union. Japan knows quite well that if she had to fight the Soviet Union single-handed, all her gains in Manchuria would possibly be wiped out and even large sections of the Japanese mainland might be destroyed by Soviet air bombers. Even if M. Saito's statement cannot be taken at its face value, his mention of Japan not wanting "to commit suicide" undoubtedly exposes a profound fear in the heart of Nippon.

But, it may be asked, if the three conclusions presented are correct, why all the thunderclouds? If the U.S.S.R. does not want to fight Japan, why all the belligerency displayed by Moscow? And if Japan does not want to fight the Soviet Union, why does not Tokyo sign a non-aggression pact with Moscow?

Moscow's defiant manifestoes serve several purposes in the Soviet scheme of things. One reason is probably internal; carrying through the first Five Year Plan has been a terribly heavy burden for the Russian people without any appreciable immediate benefits insofar as the material standard of living is concerned, and the explanation of sacrifices on the grounds of defending the proletarian fatherland against a foreign foe is merely in line with a tactic of statecraft that is much older than Bolshevism. Furthermore, it cannot help but be convincing, for the record of Japan very clearly indicates that any nation exposed to her fangs would be very foolish to trust her.

Another reason is beyond doubt external; however much it may pain the admirers, if any, of the League of Nations, a country in the modern world is respected only to the extent that it is strong enough to be feared, and the Soviet Union is not only telling Japan, but the world in general, that she is a potent factor in international affairs. The Kremlin's verbal thunderbolts are not only directed against the Japanese, but also against the British Tories and the German Nazis. Further, Moscow well knows that while a few years ago, Japan was regarded in many western capitals as a "bulwark against Bolshevism in the Orient," an appreciable number of capitalistic statesmen today would like for the Soviet Union to be a bulwark against further expansion of the Japanese Empire.

In her non-aggression pacts with her Baltic and Balkan neighbors, and particularly in the Litvinov-Roosevelt exchange of letters, the U.S.S.R. has sought —and apparently quite successfully except for the German Nazis and the British Tories—to convince the western world that she is no longer a revolutionary menace to capitalism. A part of M. Stalin's speech on what would happen to anyone who tried to "poke their snouts into our Soviet garden" must also have been designed to soothe capitalistic hearts, for while citing the crisis in bourgeois lands, he made clear that "the victory of revolution never comes of itself, but must be prepared and fought for, which only a strong revolutionary party can do." Which, considering that since the triumph of the German Nazis no strong revolutinary party exists in any western land, is quite a bearish statement on revolutionary prospects.

But the Soviet Union cannot go far in her present nationalistic policy on a negative basis; there must also be a positive reason for respecting her and cooperating with her,—and that is provided by letting the world know how strong she is, and also by making plain her attitude toward the nation that ever since 1931 has been dangerously upsetting the international *status quo*.

Meanwhile, Japan finds it necessary to keep up, at least for awhile longer, her old pose as the "bulwark against Bolshevism in the Orient." To be sure, this pose has quite definitely failed to impress the United States, and cynical and realistic France has not taken it sufficiently seriously to stop her from instituting an *entente cordiale* with the big, bad Bolsheviks, thus giving them a considerably freer hand than they formerly had in presenting a menacing "ferro-concrete" front to Japan in Far East. But the semi-feudal British Tories are still to be reckoned with, and like their spiritual ancestors,

the Bourbons, they can be expected to learn nothing and forget nothing. And today, headed by the ex-laborite MacDonald, they are the most powerful group in England and may become even more predominant at the next general election. Wherefore, Japan must keep her raiment free from any Red except blood if she wishes to continue to retain their good will,—and at the present they appear to be her only effective allies in the Occident.

There are also the German Nazis who appreciate Japan's anti-Soviet attitude, but they are not effective today although if the present trend of world affairs continues they may eventually (as was pointed out not long ago in these columns under the heading of "Nazi Germany and the Far East") become Nippon's closest allies in international developments.

And, of course, if the British Tories today, or the German Nazis tomorrow, were willing to assist Japan to the full strength, actual or potential, of their respectlve countries in a crusade against the Soviet Union, war would be exceedingly probable. But in view of the growing Soviet military strength, it seems less likely today than any time during the past two years that Dai Nihon would dare tackle Russia single-handed unless the militarists in Tokyo are somewhat mad,—and despite their Messianic effervescence at times, their record during the past two years in policy toward both the U.S.S.R. and China indicates that they are both cautious and canny.

W. B.

Japanese "Spheres" and Puppet States in China

WHILE the final preparations are being made for the inauguration of Henry Pu Yi as "Emperor" in northeastern China, under Japanese occupation, it is well to remember that this is not the first time that Japan has established puppet regimes in China. Furthermore, it must be remembered that the area now occupied by Japanese forces is one which was marked out, many years ago, as a Japanese "sphere," and recognized by other Imperialist Powers. The Washington Treaty, indeed, was supposed to put an end to such policies, and to secure the political and territorial integrity of China. All this meant, however, was a temporary lull in Japan's policy aiming at the control of China, the Japanese maintaining their position and quietly preparing for more decisive action later,—action which is at present being realized.

Almost forty years ago the Japanese attempted the annexation of the most vital part of Manchuria,—the whole Liaotung peninsula. This step, if carried out, would have been a decisive move towards control of the then more sparsely settled areas further north, and made possible later the extension of the Japanese Empire to these areas. China was forced to cede the Liaotung to Japan, but Czarist Russia also aimed at control here, and Tokyo was promptly notified by Russia, Germany, and France that the Liaotung must be handed back to China, as "its possession by Japan would be a menace to Peking, and render illusory the independence of Korea." Japan, which had learned Western militarism but had not yet mastered diplomatic niceties, was forced to hand back the territory. But by biding her time, by gaining the co-operation of various Western Powers at various times, by alternate military action and diplomatic intrigue in China and in other countries, by shrewd interpretations of clauses and thorough exploitation of loopholes in pacts and treaties, Japan has succeeded in placing herself today in a far more powerful position in northeastern China than that which she attempted forty years ago.

Backed by Britain, and aided by internal conflict in Russia, the Japanese succeeded in driving back the poorly prepared and badly managed Russian troops in the Russo-Japanese War, won a most astute diplomatic victory at Portsmouth, and followed this up by a further diplomatic victory which made France a neutral and isolated the Czarist Empire in the Far East. Japan obtained a long lease of the southern tip of the Liaotung peninsula, and by a series of treaties with Russia and some other Powers gained recognition by other Imperialist forces of Japan's special "sphere" in southern Manchuria and eastern Inner Mongolia, and acceptance of her annexation of Korea. Britain was Japan's faithful ally and friend in all this, and a definite but secret Russo-Japanese Entente also was established in 1910.

The joint annexation of Manchuria by Japan and Russia, each in its respective "sphere," was discussed between Russian and Japanese statesmen in the latter year, but the Japanese preferred to wait until they were able to extend their "sphere" further north in Manchuria (to the Sungari) and west (to the Peking meridian), declaring that "the annexation of South Manchuria would come about of its own accord in due course." This was the situation at the time of the Chinese Revolution, which brought in a new factor in the situation. Japanese Mikadoism, seriously perturbed by the fall of the Chinese "Son of Heaven" and apprehensive of its possible effects upon the social and political order in Japan, turned interventionist. The struggle for the consolidation of Japanese power in her special "spheres"—obvious preludes to annexation—became mixed with efforts to re-establish the Manchus, making them a puppet regime dependent upon the Japanese, and other efforts to control Peking through corrupt Chinese militarists. There were several possible ways of conquering China and the Chinese Revolution.

Intervention by Japan on behalf of the Manchu regime was proposed at an early date, but Britain—which accorded Japan such close agreement and encouragement in her aggressive aims in China in general,—declined to work with her on this, recognizing that the old regime was wholly doomed, so far as most of the country was concerned. The British Ambassador to Japan stated: "The Japanese authorities profess to believe that the revolution is a series of sporadic local affairs. We don't. We believe it is developing into a national movement. We say that it is like a river in spate; they say it is only a little stream which can be easily stopped."

The Japanese, failing to get British (or other foreign) support, were unable to insist upon the maintenance of the Manchu regime at Peking. But when the Great War gave Japan almost a free hand in the Far East, it was not long before she endeavored to realize something of a protectorate over China, expressed in the Twenty-One Demands in 1915, the fifth group of which required China, among other things, to employ "influential Japanese as advisers in political, financial, and military affairs," and to have police departments in "important places" either "jointly administered by Japanese and Chinese" or employing "numerous Japanese." These demands were made with a further one for absolute secrecy, but the American Government was quietly informed of them and raised objections. This resulted in the dropping of the demands which would have made all China, under Peking's control, a Japanese protectorate under Japanese police and "advice."

In Japan's special "sphere," however, China was forced to extend to ninety-nine years Japan's leases of Dairen and Port Arthur, and Japan's control of the South Manchurian and Antung-Mukden Railways. China was not to employ "political, financial, or military advisers or instructors" in South Manchuria and eastern Inner Mongolia without consulting Japan, nor to permit sub-

jects of any third power to build a railway in this territory, nor to raise a loan for such a purpose herself, or pledge the local taxes of this area, without Japan's consent, while Japanese subjects were permitted to "lease or own land" here, and were given "the right of opening mines," and the right to "reside and travel" and to "engage in business and in manufacture of any kind whatsoever."

At the same time, however, a Manchu restoration movement was also being supported by some Japanese, a pro-Imperialist army being trained at Dairen, and Mongol bandits of eastern Inner Mongolia being supplied by Japanese with arms and ammunition. Following a conflict between Japanese and Chinese soldiers at Chengchiatun, on the border of Mongol territory, the Japanese Government demanded "the stationing of Japanese police officers in places in South Manchuria and Eastern Inner Mongolia where their presence was considered necessary for the protection of Japanese subjects," the employment of Japanese military advisers for Chinese troops in this area, and of Japanese military officers as instructors in Chinese military schools. These open demands were later ostensibly withdrawn, but in fact Japanese police stations were established at various points where Japanese or Koreans were located in Manchuria, and Japanese military advisers were taken on by Chang Tso-lin.

At this period the Japanese came, for a time, to control northern China in general. Tuan Chi-jui had come into power at Peking, and the Japanese exercised financial control through him, and through the Anfu group in general, over as much of China as accepted Peking's authority. Besides this general control through a Government dependent upon the Japanese for funds, there was more direct Japanese control in certain areas of China. The situation in Manchuria has been referred to, but besides this there was Shantung, the most important commercial centre and railway line of which was taken over by the Japanese from the Germans, and held direct by the Island warlords.

This was not all. The Russian Revolution, and the decision of the Allies to intervene against it, gave Japan new opportunities. A Sino-Japanese "military alliance" was entered into, by which Chinese troops were to accept Japanese leadership. Japanese troops occupied not only South but also North Manchuria, as well as Far Eastern Russia. First the Anfuites, and later White Russians in Japanese employ, established their rule in Outer Mongolia. A puppet "Pan-Mongolian Empire" was established by Japanese agents,—first with Semenoff as the figure-head, later with the "Mad Baron" Ungern, the latter maintaining his rule at Urga for several months of terror and horror. In the meantime, the Japanese were setting up or maintaining other "White Russian" puppet regimes, both at Vladivostok and elsewhere in Far Eastern Russia, and at Harbin in connection with the Chinese Eastern Railway.

The end of the war, however, had left Japan facing isolation. The Anfus were ousted from Peking. The Anglo-Japanese Alliance, which had encouraged Japan in her aggressions for twenty years, was brought to an end by Britain, due to the bitter opposition of the Dominions to the pact, and also to Britain's desire to retain American friendship. The Czarist regime, with which the Japanese had divided Manchuria, and which in 1916 formed a secret Russo-Japanese treaty of military alliance against the United States, was at an end, and the new Russia had renounced the Czarist alliance with Japan, as well as her own special privileges and "spheres" in Manchuria.

France remained Japan's loyal friend and ally, but this was not sufficient to balance the loss of the alliance with Britain, and at the Washington Conference (unwittingly handicapped by the fact that the American Black Chamber, having decoded their secret telegrams, was fully aware in advance of all their program and plans), the Japanese were obliged to return Shantung to China, and to agree in theory to the recognition of China's political and territorial integrity. But except for the withdrawal of Japanese troops from Far Eastern Russia and North Manchuria (they still remained in the Liaotung peninsula and the railway zones in South Manchuria), Japan retained all her old privileges, and bided her time. Her wide occupation, her moment of control of northeastern Asia, was ended for a while. But this was only temporary, and Japan waited until international conditions again became auspicious, in the meantime developing and securing her position in China, and specifically in the northeastern provinces, in every possible way. Henry Pu Yi, heir to the Manchu Dynasty, was taken under the protecting wing of the Japanese in Tientsin, and preserved until he could be of use.

Today we see the realization of long-matured plans. The "sphere" which Japan established for herself, first with British, then plus French, then plus Russian support, she has finally turned into a protectorate, and widened by including the old Russian sphere of North Manchuria, which the Soviet Government with its anti-Imperialist principles had renounced. Puppet governments such as she had previously attempted on the C.E.R. at Harbin, at Vladivostok, at Chita, at Urga, etc., Japan now established on a basis of military occupation in her old "sphere." The Manchu Dynasty, representative of social and political reaction and alien domination of China, which Japan had from time to time endeavored to maintain, to revive, to protect, she now re-created, restored, and set up as the center of her latest puppet regime. Peking and the surrounding territory she controls even more fully than in the days of the Anfus.

Two things only are new: the Japanese protectorates established in northern Chihli (Hopei) province and in the Chinese areas of Shanghai. In both the territories mentioned the Japanese hold supreme power: Chinese troops cannot enter, or Chinese authorities function, without Japanese permission. There may, indeed, be another new thing later: the actual annexation of "Manchukuo." But even this will probably follow the old example of Korea. When the Japanese decide on formal annexation, the helpless Manchu "Emperor" will petition for annexation just as did the Korean Emperor twenty-four years ago. And the idea of annexation of this territory is not new: Foreign Minister Motono declared to the Russian Ambassador at Tokyo, twenty-two years ago, that "the annexation of South Manchuria would come about of its own accord in due course, and it was not necessary to hurry about it." The "due course" has evidently been traveled; annexation today will be more or less a formality.

China and U. S. A. Both Deny Japanese Air Treaty Allegations

Statements were issued simultaneously in Nanking and Washington Feb. 20 denying the reports published in Japanese papers of a secret Sino-American pact concerning the Shanghai-Canton air line.

The statement by Dr. Chu Chia-wa, Chinese Minister of Communications, was to the effect that the China National Aviation Corporation and the Eurasia Aviation Corporation are both commercial in nature and their enterprises are limited to civil aviation. Furthermore, the corporation is conducting a purely commercial enterprise which differs in no way from the other lines it has already established, it was stated.

The U. S. Department of State denied the allegation that the Japanese government had approached it with the enquiry concerning the existence of an alleged secret treaty with China for the development of Chinese aviation. The Department of State also denied the rumors that the $50,000,000 loan granted China for purchases of American cotton and wheat had been utilized toward the development of Chinese airports. The note stressed that the United States never concluded any secret treaties, saying that the reports propagated by the Tokyo press cannot be taken seriously.

Foreign Piracy Trial at Dairen Strikes Jurisdiction Snag

(From the Review's Special Correspondent)

DAIREN :—The seizure of ships, robbery and kidnapping of passengers by Chinese pirates along the south China coast has become so common in recent years as no longer to attract much attention, even in the English language newspapers published in the port cities.

Three of the pirates, photographed at the time of their arrest at Dairen on July 2, last year. Left to right, George Schroeder, Capt. H. Taudien and Heinrich Westerman.

But on Feb. 20 the piracy trial was resumed before the high Japanese court here involving five foreigners, one of whom originally claimed to be an American, that for sensational features probably surpasses anything that has occurred in the realm of sea-outlawry since the days of the Spanish Main or the era of the Barbary pirates along the north coast of Africa. The piracy which involved the murder of the ten persons and the seizure of a ship with the intention of taking it to San Francisco or Valaparaiso (Chile) for sale, occurred at midnight of June 28 last year. The ship was seized at a point on the high seas described nautically as North Latitude 32 :32; East Longitude 123 :30, which is about 50 miles off the Shihbei-sha light-house on an island near the mouth of the Yangtsze.

The ship known as the *Sheng-An*, owned by a Chinese company, was commanded by Captain Boris Vikhman, a white Russian. The first-mate was Nicholas N. Azarieff, a Latvian, who was accompanied by his wife. All three and seven members of the Chinese crew were murdered and their bodies thrown into the Yellow Sea. Mrs. Azarieff, according to the testimony of surviving members of the crew, was shot through the back and seriously wounded, but she was tossed over the rail into the sea nevertheless. The ship was loaded with a mixed cargo consisting largely of coal and peanut-oil and was bound from Tangku, near Tientsin, for Foochow in Fukien province—to the south of Shanghai.

The foreigners responsible for the piracy embarked as passengers at Tangku when the *Shang-An* left that port two days earlier, or on June 26. Four days following the piracy, the summer-resort visitors at the Hashigaura beach hotel, maintained by the South Manchuria railway near Dairen, woke up in the morning and were astonished to see a 1,900 ton steamer stuck on a roof not more than 150 yards from the beach. Although smoke was coming from the stack the boat appeared to be deserted and at first was thought to be one of the numerous smuggling craft which frequent those waters.

When the Japanese water-police investigated they were astonished to find some 50 members of the Chinese crew locked and barricaded in a small room in the hold. They had had no food or water for three days and some of them had fainted. There were no officers on the ship but the captain's and first-mate's quarters showed signs of fighting and carnage and on the window-sill of the captain's room was found a gold-filled tooth.

After a man-hunt in the mountainous sections of the Japanese leased zone which lasted for two days and a night and was participated in by a force of 750 Japanese gendarmes, the pirates were rounded up. They were :—

Capt. Herman Taudien, who at first claimed to be an American, but whose passport when found in a Russian hotel here, showed him to be a native of East Prussia, near Tilsit; about 45 years of age.

Heinrich Westerman, German nationality, formerly employed as a butcher, sausage-maker and restaurateur at Shanghai and Tientsin. Westerman is 6-feet, 5-inches tall and his flaxen hair was dyed black, 30 years of age.

George Schroeder, German, a mechanician, formerly employed by American and German firms at Shanghai; 30 years of age.

Walter Muller, German nationality, formerly employed as a mechanic by a German firm in Shanghai; 25 years of age.

The other pirates: Left, Arthur Gautschi; Right, Muller.

Arthur Gautschi, Austrian nationality, but carried a Swiss passport. A silk-tester by occupation; 31 years of age.

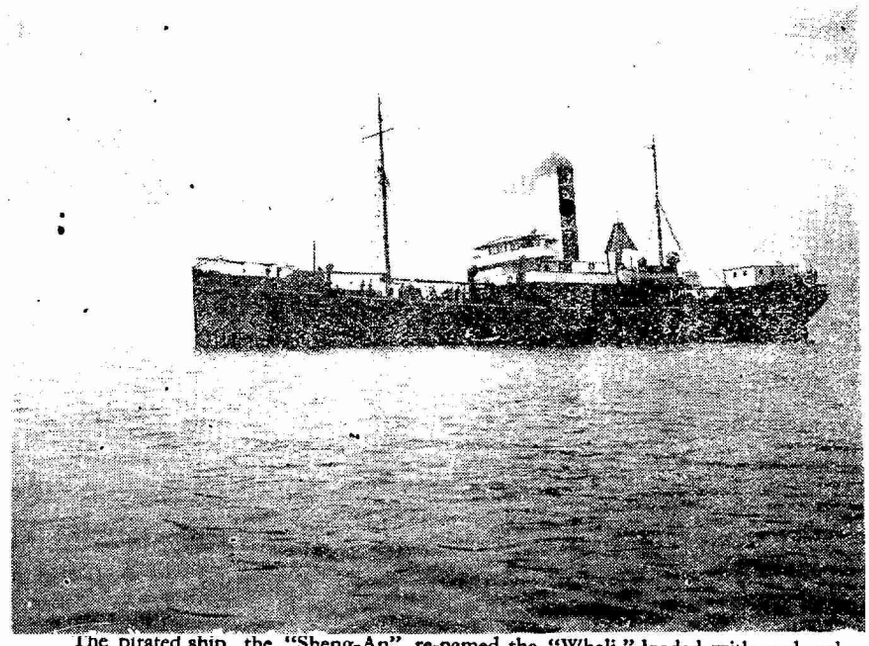
The men were hand-cuffed and placed in solitary confinement in the Japanese penitentiary here immediately and they are still there today while the case slowly drags along in the Japanese high court. They have been fed on a meager diet of native food which has completely undermined their health to such an extent that their predicament has aroused serious criticism of the Japanese authorities on the part the foreign community at Dairen despite the fact that the serious nature of the crimes has been fully established. All of the prisoners allegedly have pleaded for execution as a means of ending their misery.

Conflict of Jurisdiction

The Japanese delay in concluding the trial has been due to a combination of circumstances pertaining chiefly to a conflict over jurisdiction and international law pertaining to piracy. As a result, numerous hearings have been held but little progress has been made, despite the fact that a Japanese attorney named Bunzaburo Matsumoto, armed with a copy of L. Oppenheim's "Treatise on International Law," published in London in 1905, has put up a strong fight and has convinced most of the members of the Dairen foreign community that the local Japanese court here has no jurisdiction over the case. Mr. Matsumoto was appointed by the Court to defend the pirates and receives no pay for his services. Despite this and his 55 years and snow white hair, he has appeared in court day after day and argued that the pirates should be turned over to the German consular authorities in order that they might be sent back to Germany for trial. The German consul-general, Walter Dirks, as well as the German ambassador in Tokyo have made similar demands, but the Japanese police authorities and court here apparently think that Japanese imperial prestige is involved in the case and up to the present have had their way.

Mr. Matsumoto, the attorney for the pirates, has repeatedly pointed out in court and has repeated the declaration in an interview with the writer, that Japan has no law similar to that on the statute-books of America, Great Britain and most other countries, covering punishment of the international crime of piracy. It seems that practically all countries have laws providing for the trial and punishment of pirates wherever they may be caught. According to the copy of Mr. Matsumoto's 29-year old English treatise on the crime of piracy, apparently the only book dealing with the subject in Dairen, "The captor of a pirate may execute him on the spot, but only in case the captor is unable to take the pirate into port where municipal law may apply." Another reference says that when pirates are chased into a port from the open sea, the laws of the particular port where they land may be applied, but in any case piracy is regarded as a capital crime almost everywhere and pirates regardless of their nationality may be tried wherever captured and if found guilty may be executed. However, there is a reference in the text referred to above, stating that under the old German criminal code piracies committed by foreigners against foreign vessels cannot be punished by German courts.

According to Mr. Matsumoto, "there is no provision in the Japanese criminal code for punishing international piracy. He also argues that the German pirates, after capturing the Chinese-owned steamer did not intend to make Dairen their port of destination, but merely called here for food supplis, prior to embarking on the long trip across the Pacific to Sa eFrancisco or Valparaiso, Chile. The Japanese court procurator, similar to a district attorney, argues however, that while the pirates committed murder and seized a ship on the high-seas, they brought it into a Japanese port, "hence the crime was continued into Japanese territorial waters, where Japanese laws pertainining to murder and theft of a ship do apply." This point is still being argued and up to this time the Japanese court officials which include S. Ikeuchi, chief procurator; Judge K. Tanaka, Chief Judge K. Kawabata and Judge T. Hirai, have resisted all demands that the accused be handed over to the German consul-general for transport back to Germany. Some of the foreign consuls here insist that since the pirated ship was Chinese-owned and the crime committed in Chinese territorial waters, that the pirates should be handed over to the Chinese authorities for trial. They further enforce this argument by pointing out that Germany has relinquished exterritorial rights in China, hence Germans are subject to Chinese law.



The pirated ship, the "Sheng-An" re-named the "Whali," loaded with coal and peanut-oil. Ship valued between U.S. $70,000 and cargo valued at about U.S. $35,000.

Part of the surviving members of the Chinese crew, photographed shortly following their release from a small locked and barricaded room in the hold where they had been confined for three days and nights without food or water.

It should be stated, parenthetically, here that the case has aroused intense feeling in the foreign community here and constitutes almost the sole subject of conversation wherever foreigners gather. A number of the American and British women in the port are said to have banded together to povide food for the prisoners due to the sympathy which the prisoners' emaciated appearance in court, aroused.

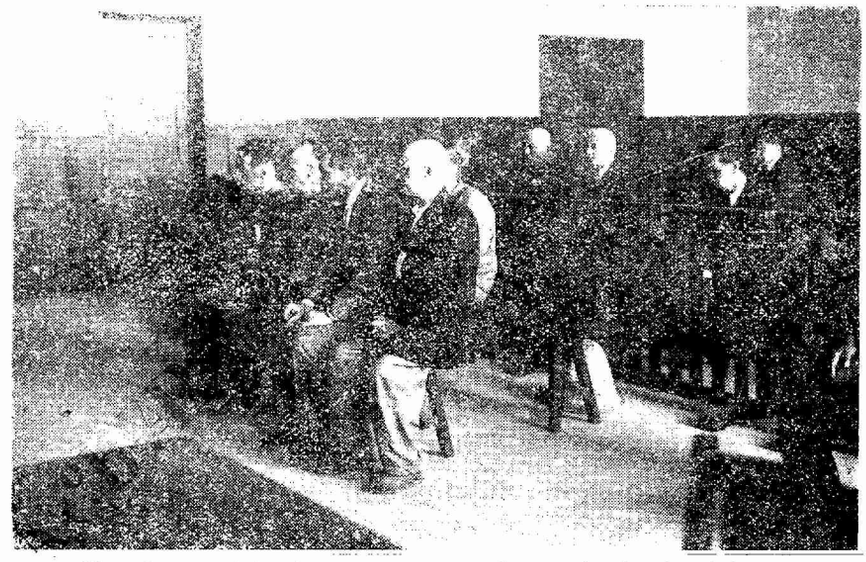
The testimony brought out in the course of the trial, while voluminous, is most conflicting. While some of the accused have refused to make statements incriminating their fellows, others have tried to place the blame chiefly on Heinrich Westerman who allegedly killed seven of the victims. According to Mr. Matsumoto, Westerman, apparently killed seven, or all of the Chinese members of the crew who were murdered, while Arthur Gautschi allegedly killed one of the foreign officers and Walter Muller killed another and also allegedly the wife of the Latvian first-mate.

The story of the plot leading up to the piracy is a sordid one, dealing chiefly with the predicament of foreigners stranded on the the China coast. Most of the meetings where the plans were talked over, apparently

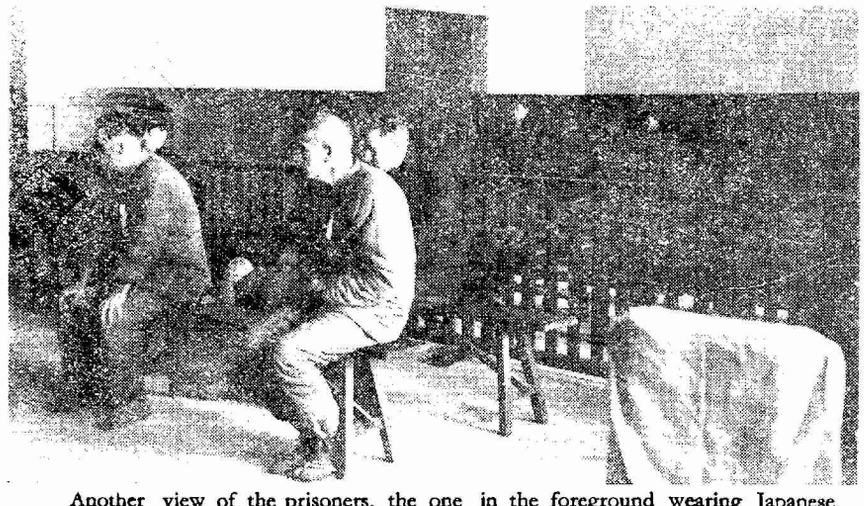
Japanese High Court which is trying the pirates, sitting in Dairen within the Japanese Leased Zone. Left to right—S. Ikeuchi, Chief Procurator; Judge K. Tanaka (under clock); Chief Judge, K. Kawabata, and Judge T. Hirai. The man sitting in the rear is also a court official.

were held in Westerman's combined butcher-shop and restaurants in Shanghai and Tientsin. Still other foreigners, including white Russians and at least one Japanese, were also participants in these meetings, but didn't happen to embark on this particular adventure. Capt. Herman Taudien, who originally claimed to be an American, had previously operated another steamer belonging to a British firm at Antung, but had run the boat on a rock and had lost his job. Once the gang obtained passage on a Norwegian steamer loaded with coal out of Chinwantao, but for some reason their plans miscarried and they did not attempt to seize the ship.

Their opportunity came when they bought tickets and sailed from Tangku, the port of Tientsin on June 26 last. Two days later, or at midnight of June 28 one of them slipped into the wireless room of the "Sheng-An" and shot the operator. When the captain of the ship, the white Russian V. Vikhman appeared on the scene he was shot, and the first mate, Nichoias N. Azarieff, and his wife met a similar fate almost mmediately afterward. Chinese servants and assistant officers, alarmed by the shots and who ran toward the bridge also were shot in short order. The remainder of the crew was then herded into a small room in the hold and locked up, following which the pirates took command and turned the ship about for Dairen to obtain provisions for the long trip to the Pacific coast. All the bodies were thrown into the sea and an attempt was made to eliminate all evidence of the crime, even to the extent of removing boards from the cabin walls and floor which contained bullet holes.



The prisoners sitting in court, a recent photograph, showing their emaciated condition. Left to right, Gautschi, Westerman, Schroeder, Capt. Taudien (with shaved head) while slightly in the rear is Muller. Behind the wooden bench at the rear of the prisoners is the straw head-dress, resembling a large "fools-cap" which prisoners in a Japanese trial must wear when walking from their cells to the court room.



Another view of the prisoners, the one in the foreground wearing Japanese convict garb, with straw sandals. Note his emaciated appearance.

Apparently there was constant wrangling among the pirates as to their future course, some arguing that they should obtain a further cargo of alcohol and make for San Francisco, while some insisted upon Valparaiso with the present cargo. The ship and cargo were valued, according to report here, at from $75,000 to $100,000 in U. S. currency. After seizing the ship the pirates painted out the name "Sheng-An" and lettered in a new name, the "Whali." It was also discovered that they had obtained a considerable quantity of printed stationery and navigation charts in Shanghai, which had been printed with the name "Whali Steamship Company, Shanghai and Chinwantao," thus indicating the crime had been plotted ashore a considerable time previously.

The following is an extract from pirate Arthur Gautschi's testimony:

"Yes, I killed some Chinese, but I don't know how many...We wanted to scare the ship at first. After bumping-off the wireless operator, the chief mate came running up the stairs and tried to fuss. The capain, too, tried to interfere. The only thing for us to do was shoot both of them."

When asked how long it took to capture the ship, Gautschi replied:

"Oh, we must have fought them off for five or ten minutes. We then immediately started to throw the men over board. We had no use for corpses. The rest of the Chinese crew were terribly scared and it wasn't so hard to handle them. The sailors and firemen were immediately put to work. One of the first things we did was to change the name of the ship."

"Whatever made you attempt such a thing?" was asked. Gautsche replied with a shrug of his shoulders. "Hard times."

Each of the men denied that he had been responsible for the murder of the wife of the first mate, Mrs. Azarieff, but one of the men finally declared that they did not know what to do with her, hence one of them shot her through the back and she was thrown into the sea while still alive.

There is considerable mystery as to how they happened to run the pirated ship on the reef at Hoshigaura bay summer resort, near Dairen. All of the pirates profess ignorance as to how it happened, but the Japanese police think it may have been done by some of Chinese crew who were operating the engines and used this method of frustrating the pirates' plan to take the ship into the Pacific. Others claim the pirates had fallen out among themselves and one of them did it to spite the others.

Corruption Charge Endangers Saito Cabinet

ALLEGED official corruption surrounding Education Minister Hatoyama and Railways Minister Mitsuchi, as exposed by certain Diet members, recently is creating anxiety in Japanese political circles. The indications are that unless the question is settled satisfactorily, it may grow so serious as to affect the fate of the present Saito Ministry. The expose is stated to be the result of an acute internal party feud within the Seiyukai with a group of plotters doing the actual wire pulling. They are secretly aiming at the early downfall of the Saito Ministry in order to prepare the ground for another Cabinet composed of their own members.

The resignation of the Education Minister is regarded as inevitable eventually on account of the fact that even if Mr. Hatoyama is cleared of all charges of corruption in connection with the Karafuto Industrial Company, the very rumor itself surrounding his personality causes an unsavory reputation as a Minister of Education. It was recently revealed that he accepted the sum of Yen 50,000 from the Saghalien Industrial Company, for reasons which he has not yet explained, and he was also involved in an alleged illegal transaction regarding the sale of bonds held by the Bank of Taiwan. Although observers are agreed as to the possible early exit of Education Minister Hatoyama from the Cabinet, opinions are divided as to the extent of repercussions of such resignation. Some predict the eventual downfall of the present Ministry, while others believe that the Cabinet may yet try to subsist regardless of the resignation of Minister Hatoyama. For the moment Mr. Hatoyama refuses to resign.

Notwithstanding various speculations as to the eventual drift of the political situation in Japan conservative observers believe that as the passage of the next year's budget is of paramount importance from the standpoint of national defence, it is not conceivable that the Ministry as a whole would go so far as to resign en bloc without passing the budget in the Diet. Consequently, according to their views, the Saito Ministry will probably stick to its position, at least until the end of the Diet season even though Education Minister Hatoyama should resign.

In the meanwhile, according to *Rengo*, rumor-mongers are busy in turning out various sorts of speculations. Some of them even predict the possible appointment of either Dr. Hiranuma, Vice Chairman of the Imperial Privy Council, or General Ugaki, War Minister, as successor to Admiral Viscount Saito as the next premier. The creation of a coalition Cabinet under the present Finance Minister, Takahashi, and the present Home Minister, Yamamoto, with the joint support of the Seiyukai and the Minseito, the two greatest political parties, is also freely talked about in some sections of Japanese political quarters.

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Why Japanese Trade Flourishes

Whether it is merely a flash in the pan, or a permanent situation, there is no doubt about it that Japan is the most prosperous industrial country in the world today. While all Western countries are more or less in the dumps Japanese industries are busy. The reason for this state of affairs is explained by Yasukawa Yunosuke, Chairman of the Board of the Mitsui Bussan Co., as follows:

1.—Through the painful experience due to many years' depression and a series of panics, and more especially by the Hamaguchi Ministry's extreme retrenchment policy, an impetus was given to the process of industrial rationalization. Bad assets were written off by reducing capital and dividends. In short everything has been done to increase efficiency;

2.—The nation, vigorous and steady by nature and accustomed to simple life and hardy, has acquired various valuable experiences thanks to the diffusion of education and the turning of scientific knowledge into common sense;

3.—The nation, charaeterized by the habit of making the most of everything owing to the deficiency of natural poducts, has learned to import rags and waste yarn from abroad, and recover caustic soda out of discarded fluid arising from the manufacture of rayon and paper and otherwise to eliminate waste to the utmost;

4.—This nation has displayed its superior ability in invention also, and outliving the period during which it was content to imitate European patterns, it has invented superior machines and instruments of its own and done much in improving plants.

5.—Although starting later than the senior nations of Europe and America in modern industry, Japan has, on the other hand, enjoyed the privilege of adopting the most advanced and newest type of mechanical equipments and competing with the old-style industry of the senior nations;

6.—In China, the South Sea islands and India and other neighboring countries, with backward industry and a large population, cheap Japanese goods are in greater demand than the high-class products of Europe and America, because of the mode of living there being more akin to that in Japan;

7.—Owing to the highly advanced family system obtaining in Japan many capitalists and workers are actuated by family sentiments, and harmonious relations are well maintained between capital and labor, a great deal of attention being paid by the employers to the welfare of the employees and the improvement of their living;

8.—The country being reduced to a position of international isolation since the Manchurian affair, the nation has been inspired with a heroic determination to wade through the critical period in the face of any and every obstacle.

Military Authorities Declare There is no Improvement in Sino-Japanese Relations

There is a growing impression in some Japanese quarters, says the *Osaka Jiji*, that there are signs of a gradual improvement in Sino-Japanese relations, but the military authorities do not support this belief. They say that the boycott of Japanese goods is still being carried on vigorously in Nanking, and the biggest Japanese shop in that city, the Seia Yoko, is still unable to do business. The proprietor of the shop remains at Shanghai, watching developments. On Feb. 9 a body of anti-Japanese ruffians raided a certain Japanese shop in Nanking, looted it of stationery and sundry goods, over 8,000 pieces in all, and burnt all these articles on the open ground before the Library. There is reason to believe, the *Jiji* alleges, that the outrage was committed with the understanding of the local Pubic Peace Bureau.

Death of Count Ito Miyoji

The death occurred in Tokyo, Feb. 19 at the age of 77 from ulcer in the stomach, of Count Ito Miyoji, one of the most influential members of the Privy Council. On the occusion of the Sino-Japan war, Count Ito was sent to Chefoo to exchange the signed Treaty of Peace.

Seiyukai Members Come to Blows in Corridor of Japanese House of Representatives

Kiyoto Namba, is threatened with expulsion from the Seiyukai for his support of Mr. Okamoto in the House of Representatives, also for attacking Mr. Naota a Seiyukai leader, Feb. 15. Mr. Kumagai, together with other members of the newly appointed committee of inquiry, was making for an anteroom, when Mr. Namba came along from the opposite direction. As Mr. Kumagai was about to pass Mr. Namba, the latter took hold of him and angrily demanded the reason for his calling "You fool" repeatedly in the House the previous day. Mr. Kumagai excused himself by saying that he had never called Mr. Namba a fool. He simply warned Mr. Namba that he was making trouble. If he used such language subconsciously, he told the angry member he was ready to apologize. By way of appeasing Mr. Namba's indignation, Mr. Kumagai put his hands on the other's shoulders, when suddenly Mr. Namba hit him. Sergeants-at-arms rushed to the scene and separated the pair.

Japan Makes Huge Strides in Woollen Industry

A huge expansion took place in the Japanese woollen industry last year. During 1933 Japan shipped woollen cloth abroad to the value of Yen 6,728,000, nearly ten times more in value than in 1931, while her exports of woollen yarn totalled Yen 4,430,000, roughly five times the amount exported two years ago. Most of the Japanese woollen mills are planning large extensions, new companies are being floated and large cotton spinning concerns are planning to produce natural and artificial woollen goods, according to the latest reports.

Machinery Production Also Greatly Increased

It seems probable also that Europe and America may shortly be faced with strong Japanese competition in a new direction, machinery. Tremendous sums are being spent by the naval and military authorities in connection with Japan's huge plans to modernize her defences. In addition, in recent years, there has been a great internal demand for machinery for the spinning and weaving industries and for vehicles, motors, boilers, and machine-tools. At present all machine-making concerns have more orders than they can cope with, and will probably have to extend their plants to meet the enormous demand made on them by Japan's booming industries. It seems likely that expansion in this direction will, in a few years, exceed internal needs. Then Japan will push energetically her already important export trade in machinery to the rest of Asia and, probably, to the rest of the world, in competition with the old established machinery trade of

the West. The famous Mitsui firm recently secured an order from Mexico City for 30,000 tons of steel piping costing two million yen.

Artificial Silk Production Doubled in Two Years

In recent years, in addition to an enormous growth in the production of cotton goods, Japan has greatly increased her output of artificial silk goods. In 1931 her total production of artificial silk was just under 47,000,000 lb. This figure was doubled in 1933 with such profitable results that the factories concerned are increasing their plants, while several new companies have been formed, with the result that the total production this year is expected to amount to 145,000,000 lb. In 1931 the capital invested in rayon totalled Yen 60,000,000. Two years later it had increased to Yen 322,000,000. As in other industries, Japan is making tremendous strides in her export of artificial silk piece-goods, her total last year exceeding 250,000,000 sq. yds., compared with a mere 12,000,000 sq. yds. in 1931.

Will Canton Declare Itself Independent of Nanking?

BY CHEN FU-SHENG (陳福生)

RUMOR is rife that Canton may secede from the Nanking Government. According to the *Min Pao*, a Japanese-owned newspaper in Foochow, the long-expected Chiang-Chen armed conflict will ere long become a reality, as both Gen. Chiang Kai-shek and Gen. Chen Chi-tang are feverishly making preparations for war. In my judgment, there will be no open conflict unless and until something very serious develops, thus straining the relations of Canton and Nanking. In the near future at least, in the distant future perhaps, Nanking and Canton will remain at peace.

It is true that Generals Chiang and Chen have respectively concentrated their forces along the Fukien-Kwangtung border but it is unlikely that they will immediately fight against each other. It is also true that Canton is anti-Nanking but it seems improbable that she would revolt against Nanking right now. In the first place, Gen. Chen is a strong man of Canton, as well as a careful observer of the trend of events. He always looks before he leaps; he never acts rashly. If he is not sure of military success, he will not start the anti-Chiang campaign. Secondly, in the army and navy, Canton can hardly excel Nanking. Although Canton has made remarkable progress in aviation, yet her airplanes are, for the present, outnumbered by those of Nanking. Thirdly, Canton is devoting her time and energy to the Three Year Plan; she inevitably wants peace within and without. Fourthly, Nanking's greatest enemy is the Kiangsi reds. Following the suppression of Fukien rebels comes the urgent but harder task of suppressing communist-bandits. Before the consolidation of the red menace, Gen. Chiang, I believe, has not the least intention of going to war with Canton. Moreover, Canton does not openly repudiate the Nanking government; she still shows nominal allegiance to Nanking. Fifthly, Gen. Chen is a man of considerable intelligence, not a puppet of Hu Han-min, who has left no stone unturned in hastening the downfall of the Nanking government. That Gen. Chen turns a deaf ear to Hu's ambitious schemes is an evident proof. Sixthly, Kwangsi, the neighbor of Kwangtung, has sat on the fence, trying to be friendly to Canton and Nanking. Canton's attempt to pry Kwangsi off the fence is not successful yet. With her rear vulnerable to the attack of Kwangsi, Canton dare not invade Fukien.

Unparalleled Civil War

This is what is now indicated: it is by no means assured. Only time can reveal what really will happen in the ever-shifting scenes of politics. If, however, hostilities should break out along the Kwangtung-Fukien border or Kwangtung-Hunan border, an unparalleled civil war would take place. Canton, as we know, is a stronghold of anti-Chiang activities. Canton has three armies (an army comprising two divisions), four independent divisions and two independent brigades, a powerful fleet including two newly-bought torpedo boats and one hundred or more airplanes. What with her richness in natural resources, what with her amazing development in army, navy and aviation, Canton is no easy mark for Gen. Chiang. Should Canton rise in revolt against Nanking, the other anti-Nanking elements in various parts of China might follow suit. China would, then, plunge headlong into an unprecedented civil war. What would be the outcome of the war nobody can foretell. Certainly, there would be heavy casualties. All the past efforts directed toward bandit-suppression would be spoiled. The rural bankruptcy, resulting from the war, would give the reds new chances for propaganda and activity. In all probability, China "would face dismemberment and disintegration and sink ultimately into an irretrievable condition."

Unification by Force

The impending crisis must necessarily be averted. By the way, the question arises whether unification by force is feasible. History tells us clearly that repeated attempts to unify China by force have proved futile. The warlords, Wu Pei-fu, Chang Tso-lin and Sun Chuan-fang, all believed in unification by force. Chang Tso-lin died but his dream never came true. Wu Pei-fu and Sun Chuan-fang now live in retirement; not one of them has his plan realized. After Wu and Sun met their Waterloo, China, for a brief period, showed signs of peace and unity. Not long afterwards came the revolt of the Kwangsi faction, then the Feng-Yen Coalition, then Shih You-san's rebellion, then the Fang-Chi Coalition, then the Fukien insurrection. One war leads to another. War cannot end wars but will create wars. The old saying that force is omnipotent is a silly fable.

How, then, can China be united? To this, the sensible answer would be: China must exert herself to achieve national reconstruction. The great obstacle to China's unity is unemployment of intelligentzia and inconvenience of communication. These two things account for recrudescence of civil war. By developing heavy and light industries, by facilitating means of communication China can have her two great problems—unemployment and communication—satisfactorily solved. Consequent upon the solution of these problems, there would be no civil war. Unification by force is the sure guide to conflict and disaster; unification by reconstruction is the only road to salvation.

It is gratifying to learn that the authorities of Nanking no longer believe in the omnipotence of force. In their joint telegram dated Feb. 11, Wang Ching-wei and Chiang Kai-shek declared that the government would do her utmost to uphold peace, that the government would not resort to force unless she was compelled to do so and that the government would be engaged in national reconstruction.

Foochow, Feb. 15, 1934.

Hubert Cheng Appointed to High Railway Post

The Ministry of Railways has promoted Hubert P. C. Cheng, traffic manager of the N.S.L. and S.H.N.L., to be the associate managing Director of the Peiping-Liaoning Railway, and appointed Siao Wei-kuo secretary of the S.N.L. and S.H.N.L. Administration, to be traffic manager in succession of Hubert Cheng.

Mr. Siao is 35 years old, a native of Ping Hsian Hsien of Kiangsi Province, and a graduate of Chao-tung University of Peiping. From 1923 to 1926, he served in the Tientsin-Pukow Railway as goods clerk-in-charge and station master.

In 1927 he was appointed by the General Headquarters of the Revolutionary Army as the special officer in charge of Kuomintang of Chili (now Hopei) and Shantung. In 1928 he held a position in the Railway Department of the former Ministry of Communications and concurrently one of the members of the Executive Committee of the Special Organ of Kuomintang.

Later in that year he was appointed as the Social Communication Officer of the Political Commission of the Fighting Area, and the traffic manager of Kiao-Tsi Railway and concurrently acting managing director of that Railway.

In 1929, he was appointed as technical expert of the Construction Bureau of Hunan Provincial Government. In 1930, he was the Head of Railway Administration Department of the North-East Communication College and concurrently Professor of Railway Transportation, Railway Accounting, and Railway Operation.

After the Japanese occupation of Mukden on the 18th of September, 1931, he left Manchuria, and has since served as the technical expert of Construction Bureau of Shansi Provincial Government, concurrent Member of the Communication Committee of the Provincial Government, professor of Shansi University, 1st Class Kor Yuan of the Ministry of Railways. Before his present appointment as the traffic manager of the N.S.L. and S.H.N.L., he was a secretary of the N.S.L. and S.H.N.L. Administration.

Dr. Hsieh Wen-lung, the assistant traffic manager of the N.S.L. and S.H.N.L., has been transferred, by arrangement of the Construction Bureau of Chekiang Provincial Government with the Ministry of Railways, to be the traffic manager of Hangchow-Kiangsan Railway (the original Transportation Division having now been re-organized as the Traffic Department), and it is said that he will also be appointed concurrently as the associate managing director of that railway.

Wong Chi-kang, chief of the transportation division of the Traffic department of N.S.L. and S.H.N.L. has been appointed by the Ministry of Railways to be the assistant traffic manager of the N.S.L. and S.H.N.L. in succession of Dr. Hsieh, serving concurrently in his original post of the Chief of Transportation Division.

Marshal Chang Will Visit Tientsin After Taking Up New Post

Marshal Chang Hsueh-liang, newly-appointed vice-Commander-in-Chief of the Government Bandit Suppression Forces in Honan, Hupeh and Anhui, who returned to Shanghai on Feb. 12 from a prolonged trip to Hangchow, departed from here for Nanking by train in the night of Feb 19 in company with Dr. H. H. Kung and other high officials of the Government. Marshal Chang plans to make a brief stay at the Capital, during which he will further confer with President Wang Ching-wei of the Executive Yuan on matters relating to his new office and affairs of the country in general. Upon his arrival at Nanking, Marshal Chang declared that he would shortly leave for Hankow to assume his new appointment and that after inspecting the situation in Honan and Hupeh, he would proceed to Kiangsi to interview Gen. Chiang Kaishek. He added that it had not yet been decided whether a portion of the Northeastern Army would be transferred to Central China to be placed under his direct command. It is learned that before actively taking up the duties of his office, Marshal Chiang may pay a flying visit to Tientsin for a reunion with members and relatives of his family. though this matter has not been definitely decided.

The date of his assumption of office has not yet been fixed, nor has the location of his headquarters been decided. At present, the Headquarters of the Commander-in-Chief of the Bandit Suppression Forces in Central China is located at Hankow, but Gen. Chiang Kai-shek has recently expressed his desire to remove it to Sinhsiang in souther Honan in order to facilitate direction of affairs. In the event of such a removal being effected, Marshal Chang may have to go to Sinhsiang to assume his office.

According to circles close to Marshal Chang, the post of vice-Commander-in-Chief of Bandit Suppression forces of three provinces is invested with duties as acting Commander-in-Chief inasmuch as Gen. Chiang is at present concentrated on the campaign in Kiangsi. It is expected that the Young Marshal will transfer two divisions of his former troops to reinforce the Nanking forces now engaged in bandit suppression work in those three provinces.

Since his return from abroad, Marshal Chang has taken great interest in the industrial development of the country. On Feb. 16, he called a conference of leading Shanghai industrialists at his residence to discuss plans for the development of the various industries in China. Among those invited to participate in the discussions were O. S. Lieu, General Manager of the China Merchants Steam Navigation Company; Kwok Shun, General Manager of Wing On Company; Yung Tsung-ching, owner of a string of flour and cotton mills popularly known as "Flour King" of China, and many others prominent in business and industry in Shanghai. As a result of the conference, it is said that Marshal Chang is drafting a concrete plan for the development of industries in China to be sumbitted to the National Government for consideration and adoption.

In return for his courtesy, Marshal Chang was entertained at dinner as the guest of directors of the Federation of Chinese Industries at the Federation's Club at 9 Hankow Road on Feb. 17. Many topics with regard to the development of industries were discussed during the occasion. Marshal Chang was, however, specially interested in a proposal to make flour from Chinese soya beans in such a manner that it can be successfully blended with wheat, which will not only give a perfectly white bread, but will also remain fresh for a longer time than bread produced from the purely wheat product. Marshal Chang stated that he had been invited to witness the manufacture of this new method of flour making during his recent visit in Italy. He suggested that as China was the home of soya beans, the manufacture of this new product should be started as soon as possible. Finally, Marshal Chang requested his adviser, W. H. Donald, to prepare a file of data on the subject and also to secure samples and analysis as that the matter could be gone into further in a technical manner.

Gen. Ma Chan-shan Escapes Attempted Assassination---Cancels Trip Abroad

Gen. Ma Chan-shan, hero of Nonni River fame, had a narrow escape from an attempt on his life by a group of paid assassins in Tientsin on Feb. 18, when a plot to assassinate him was discovered by the police in the nick of time. As a result of this incident, Gen. Ma is reported to have decided to cancel his preparations for a trip abroad which he had planned to take.

Five persons of an assassination group were arrested and a large quantity of pistols seized when Chinese police raided a house next to General Ma's residence in the British Concession in Tientsin on Feb. 18, when it was learned that an attempt on the general's life was planned for the morning of the next day. The police are still combing the city for the other members of the group.

Believed to have been commissioned by the "Manchukuo" authorities, a gang of 11 marauders arrived at Tientsin a month ago and have since occupied a house next to General Ma's residence. Having found out General Ma's bedroom it is alleged that the gang had prepared to climb over the room and carry out their plot at 4 o'clock in the morning of Feb. 20.

The former Heilungkiang chairman has now moved from his British Concession residence to a secret address in the Chinese territory and has been provided with additonal bodyguards to protect him from possible attempts.

One of the arrested persons, suspected of having plotted on General Ma's life. killed himself in front of the Ma residence when he was surrounded by the police. His accomplices gave his name as Ma Ten-ching, 33, a former hospital president in Tientsin.

The five others, including a woman have been handed over to the Bureau of Public Safety for investigation. The woman is alleged to have carried weapons for the gang and an important confession is said to have been obtained by the bureau officers, revealing that the gang was to be paid $100,000 by "certain quarters" for the killing of the famous general.

Japanese Consular authorities in Tientsin on Feb. 19 filed a verbal protest with the Hopei provincial government expressing resentment over the accounts given by the vernacular newspapes, which inferred that the Japanese Government had been instigator of the assassination plot.

It also was revealed that the gang of 11 assassins had been conspiring to carry out the plot since a month ago. They had posed as ricsha coolies, electric repairers and in other capacities to approach the Ma residence and to follow the general to public bath-houses.

Former 19th Route Army Units Transferred to Central China

The last vestiges of the Fukien revolt have been cleared away with the complete withdrawal of the 19th Route Army, recently reorganized as the 7th Route Army, from Fukien and the transfer of its units to Central China for further training. Withdrawal of the Army was started on Feb. 10 and completed during the past week. The four Divisions of the Army, namely, the 60th, 61st, 49th and 79th, after being disarmed, were first transported to Nanking by boat from the various points in Fukien. After a brief stay at Nanking following landing, the 60th Division and 78th Division were entrained to Honan by way of the Lunghai Railway, passing through Hsuchow on Feb. 16. They were assigned to be stationed at Kaifeng and Kweiteh respectively upon arrival. The two remaining Divisions are also to be transferred to Honan soon, but their garrision posts have not yet been announced. Gen. Mao Wei-shou and Chang Yen, Commander and vice-Commander of the 7th Route Army, are said to be still in Fukien supervising the winding up of affairs of the Army there, but they are expected to proceed to the north in a short time. Following their concentration in Honan, the four Divisions of the Army will be placed under the control of Gen. Liu Chih, Chairman of Honan and a trusted lieutenant of Gen. Chiang Kai-shek, Chairman of the Military Affairs Commission.

The new Fukien Provincial Government will be granted a subsidy of $500,000 to tide over its present financial difficulties, according to a telegram from General Chiang Kai-shek to the Fukien authorities on Feb. 17. A drastic retrenchment policy is to be enforced by the Provincial Government. The monthly expenditure of various organs will be reduced by 25% while superfluous organs will be abolished.

Organization of the Fukien Provincial Peace Preservation Bureau is now completed with General Chen Yi, Chairman of the Fukien Provincial Government, as director and General Hsiao Chi as vice-director. Branch offices of the bureau will be established in western and south-eastern Fukien.

A circular order has been issued by General Chen Yi forbidding district magistrates to leave their posts without express permission as their presence is required in the work of rehabilitation.

To maintain closer contact with neighboring provinces, the Fukien Provincial Department of Reconstruction is pushing forward the construction of the Fukien-Chekiang and Fukien-Kiangsi Highways. A special office has been established to attend specially to the work.

Over 10,000 people gathered at the Public Park in Foochow on Feb. 15 to celebrate the recent victory of the Government forces over the 19th Route Army rebels. The meeting was presided over by Kao Teng-ting, secretary of the Provincial Government.

Acting under instructions of General Chiang Kai-shek, Gen. Chiang Ting-wen, Field-Commander of the Government Punitive Expeditionary Forces, has issued a circular order abolishing the titles of the various commanders of the militia or people's units and the special military affairs commissioners so as to centralize the military command.

At a military conference convened by General Chen Chi-tang at Canton on Feb. 11, it was decided that the Garrison Commander's Headquarters of Kwangtung Army in southern Fukien be abolished and a rehabilitation committee established in its stead to be placed under the direct jurisdiction of the headquarters of the Southern Route Bandit-suppression Forces, of which Gen. Chen is Commander-in-Chief. To facilitate communications, telegraph and telephone lines are to be installed in southern Fukien.

The 3rd Kwangtung Army under Gen. Li Yang-ching will assume responsibility for the maintenance of peace and order along the Kwangtung-Fukien border while the 1st Kwangtung Army under Gen. Yu Han-mou will garrison southern Kiangsi.

Tension along the Fukien-Kwangtung border, where Nanking and Kwangtung forces made war-like preparations following completion of the Government's campaign against the Fukien rebellion, has been considerably eased with the announcement by General Chen Chi-tang that an order has been issued to withdraw his troops from the Southern Fukien districts to the provincial border.

General Chiang Ting-wen, who led the Nanking forces to success in the Fukien campagin, announced his assumption of the post as Commander-in-Chief of the East Route Bandit Suppression Forces at Amoy Feb. 20, Immediatey following his inauguration, several divisions of the army will be pushed towards Changting to attack the communist brigands there. Under orders of Gen. Chiang Kai-shek, Gen. Chiang Ting-wen flew from Amoy to Canton on Feb. 20 to confer with Gen. Chen Chi-tang in connection with the question of bandit suppression in Kiangsi. The jurisdiction of Gen. Chiang's new post extends over five southern provinces, including Kwangtung, Kiangsi, Fukien, Hunan and Hupeh.

Three hundred and 50 cases of aerial bombs have been shipped to Amoy to facilitate the drive, while a fleet of bombing planes and fighting aircraft is expected to land at Changchow soon.

According to reports from Hongkong, Gen. Chen Ming-shu, one of the trio ringleaders of the Fukien revolt, has left China for France as a fugitive in political exile. Gen. Tsai Ting-kai, former Commander-in-Chief of the 19th Route Army, is reported to be in hiding at Kowloon. The whereabouts of Gen. Li Chi-sen, Chairman of the Fukien rebel regime, is not acertainable, though he was last reported to be in Saigon, Siam.

A Japanese *Rengo* dispatch from Tokyo on Feb. 19 reported that the Japanese Government may shortly send a warning to the Nanking Government in connection with the alleged intention of the latter to construct 6 airdromes in Foochow and Amoy with capital provided by the American cotton and wheat loan. The dispatch added that China, by her treaty with Japan signed in 1898, undertook not to construct any military establishment in Fukien Province with foreign loans.

Decisive Battle in Ninghsia Warfare Pending as Shansi Mobilizes Against Sun

The civil war in Ninghsia province between Gen. Sun Tien-ying, deposed Commander of 41st Army, and Gen. Ma Hung-kuei, Mohammedan Chairman of Ninghsia, which has been in progress for more than a month, is rapidly reaching a climax, as the Shansi forces under command of Gen. Fu Tso-yi and Gen. Hsu Yung-chang, respectively Chairman of Suiyuan and of Shansi, are being mobilized to launch a general attack on Gen. Sun's Army from the rear in western Suiyuan border. Gens. Fu and Hsu, after having conferred with Gen. Ho Ying-ching at Peiping, left there on Feb. 20 and returned respectively to Kueihua and Taiyuan. Prior to their departure, they together with Gen. Ho delivered a last warning to Gen. Sun, urging him to suspend hostilities and to leave the army and threatening that in the event of the warning being ignored, both Shansi and Suiyuan forces will be ordered to advance into Ninghsia to suppress his Army.

All the units of Gen. Sun's Army are being concentrated in Ninghsia and are continuing their attack on Ninghsia City, Capital of that province. In case of being attacked from the rear, it is reported that Gen. Sun's Army may attempt to break through into Kansu and, anticipating such a move, the Kansu authorities have massed a strong army at Liangchow in southeastern Kansu. Fighting in Ninghsia during the past week is still centered between Likanpao and Ninghsia City with neither side of the warring parties making any apprecable progress.

According to reports received at Peiping, Gen. Sun's Army has suffered heavily during the fighting in past few days as a result of the bombing raids conducted by Government bombers dispatched in aid of Gen. Ma Hung-kuei. Under the pressure of the bombardment, a portion of the rebel troops deserted and has now reached the Kansu border, while the major part of the rebels continued their retreat toward Suiyuan. Both the Shansi and the Kansu armies have been rushed to the border to prevent the rebels from entering their territories.

On the other hand, Gen. Sun's troops continued offensive actions outside the Ninghsia City. Many buildings in the city were demolished and a great number of people killed as the artillery units of the rebel army continued to shell the city. The artillery, however, failed to batter down the resistance of the provincial forces who are holding it.

Owing to daily bombings by Nanking planes, General Sun is reported to have changed his tactics and is now resorting to night attacks against Nnighsia City.

Meanwhile the rebel forces, finding their artillery insufficient to batter down the stiff resistance offered by the defenders of Ninghsia City, are now collecting large quantities of logs and wood for making ladders to scale the city wall in a desperate attempt to dislodge the provincial forces.

Realizing that he is nearing the end of his tether, General Sun is reported to have approached the foreign missionaries at Ninghsia, with a request to mediate for the purpose of bringing about the cessation of hostilities.

The Peiping authorities have decided to send 50 military trucks to assist General Yen Hsi-shan of Shansi in transporting his troops for the coming drive against General Sun.

There are three things in the North-west which General Sun thinks worth fighting for and which he always dangles before his troops in their present drive into Ninghsia, according to a Chinese arrival from Paotouchen quoted in the Peiping Chinese press.

They are the gold dust of Chinghai and the opium and heroin of Kansu and Ninghsia.

"I do not believe the proverbial poverty of the Northwest." General Sun declared to his soldiers in an address before their advance into Ninghsia "I will make every one of you a rich man once we get to Ninghsia. Chinghai abounds in gold deposits. Scratch the surface of the ground there and you will get plenty of gold dust. You can get $8 or $9 a day without any difficulty."

General Sun further said that from Liangchow, Kansu, alone, more than $10,000,000 worth of opium was transported to various parts of the country every year. "If we can get hold of the opium revenue of Kansu, you can rest assured that I will pay you regularly."

According to the informant, an agent of the Fukien rebel government visited General Sun be fore heleft Paotouchen. There are still some radicals and disgruntled politicians on the staff of General Sun.

The center of hostilities in the Northwest has shifted from the province of Ninghsia to Kansu, it was reliably reported in Peipiug on Feb. 20.

Evading the rear attack from the strong Shansi troops in Lingho, the rebel armies under General Sun crossed the Ninghsia capital on Feb. 19 and are now advancing toward Liangchow in Kansu.

Nanking Takes Steps to Strengthen Control Over Tibet

Measures to extend the influence and administrative control of the Central Government over Tibet have been decided upon after protracted deliberations by the Government authorities, it was reported by a *China Press* dispatch from Nanking on Feb 12. According to the measures decided, authority in diplomatic affairs with foreign countries concerning trade relations and national defense will be assumed by the Central Government, while the local Government in Tibet will retain its power over internal affairs politically and religiously. To supervise the execution of the contemplated measures, the office of the Resident Envoy of the Government will be reinstated at Lhaca.

The Panchen Lama who is now in Nanking will be instructed to return to Tibet. Following his return, the Government will render Tibet all assistance in finance and personnel for the industrial and educational development of the territory. To make Tibet accesible to the interior of China, motor roads will be constructed from Lhasa to Chengtu (capital of Szechuen) and Hsining, (capital of Chinghai). Postal and telegraph offices in all important cities in Tibet are also planned.

To promote Chinese culture, Tibetan students will be encouraged to come to China Proper to study in Chinese universities. Tibetan merchants will likewise be encouraged to come to China Proper to trade and the policy of free tariff in China-Tibetan trade relations will be maintained.

The subsidy paid during the Manchu Dynasty towards the support of the Panchen Lama and the next Dalai Lama and the maintenance of the three big Lama temples in Tibet will be continued by the National Government.

Among the diplomatic issues concerning Tibet to be solved, the National Government is reported to be planning to open negotiations with Great Britain with a view to fixing a definite frontier between Tibet and India.

As an official tribute to the spirit of the departed Dalai Lama, an impressive memorial service was held for the late Tibetan pontiff by high officials of the Government at the auditorium of the Examination Yuan on Feb. 14. Wang Ching-wei, President of the Executive Yuan, opened the service meeting with an eulogium on behalf of the Central Party Headquarters. Gen. Lu Chao, chief military Counseltor of National Government, followed with an address on behalf of Lin Sen. The religious rites were performed by the Panchen Lama. Prayers were offered daily for three days consectively since Feb. 14 by the Panchen Lama and 15 Lama priests at the Ningyuanlao and by 48 leading Buddhist monks at the Chimingchih monastery in Nanking.

The Government authorities are also planning to hold another memorial service on a still larger scale at the Tibetan capital, Lhasa, after the arrival there of the Government's envoy to Tibet, Gen. Huang Mu-sung who will officiate at the ceremony on behalf of the Government. Gen. Huang has been lately in conference with the Panchen Lama regarding the measures of rehabilitation in Tibet and will leave for Lhasa shortly.

The Panchen Lama and Gen. Huang Mu-sung were guests of honor at a recepton party given by the residents of Tibet, Chinghai

and Sikang in Nanking on Feb. 18. In reply to the speech of welcome by chairman of the meeting, the Panchen Lama said that as religious leader of Tibet, he urged that peoples in all border territories of China should give their whole-hearted support to the Central Government in order to cope with the present grave national crisis. Gen. Huang spoke on the importance of Tibet, Chinghal and Sikang to the frontier defence of China and expressed great gratification at the growing intimate relations between the Central Government and peoples in the border districts.

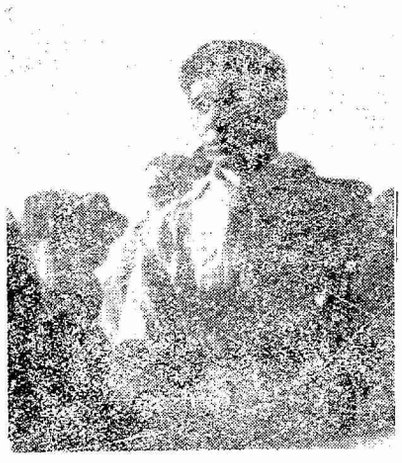
The Panchen Lama was sworn in as a member of the State Council on Feb. 20.

Lin Sen, President of the National Government, and Yien Chu-tsang, secretary-general of the Central Party Headquarters, made speeches in which they paid tribute to the Panchen Lama's past services. They hoped he would continue his efforts to strengthen the relations between China proper and the outlying territories.

Commandante Barnardi Demonstrates Caproni Plane

Commandante Mario de Barnardi, Italian speed ace, gave a demonstration of the Caproni bi-plane before a huge crowd of spectators at the Hungjao airdrome on Sunday afternoon, Feb. 18.

A distinguished crowd of Chinese and foreign officials was present at the air field. These included Marshal Chang Hsueh-liang, newly-appointed vice-commander-in-chief of the bandit-suppression forces in Honan, Hupeh and Anhwei; Mayor Wu Te-chen of the Municipality of Greater Shanghai; Dr. H. H. Kung, minister of finance; Admiral Chen Shao-kwan, minister of navy; Huang Han-liang, former finance minister; General Yang Hu, head of the Peace Maintenance Bureau of the City Government of Greater Shanghai; Major-General Wen Hung-en, police commissioner of Greater Shanghai; Tang Shih-hsuan, secretary of the City Government; General Mao Pang-chu, president of the Central Aviation Academy at Chienchiao, Hangchow; Jabin Hsu, chief secretary of the Ministry of Finance; Yang Kwang-shen of the National Economic Council; Lin Wo-chiang, chief secretary of the China National Aviation Association; Mrs. T. V. Soong, Dimitri Bogolomov, Russian ambassador to China; Commandante Raffaele Boscarelli, Italian minister to China; Georges Barthel de Weydenthal, Polish charge d'affairs; General Manuel Piedra Martel, Cuban minister to China, and W. H. Donald, advisor to Marshal Chang.



Commandante Mario de Barnardi

Caproni Bi-plane

A group of 20 graduates of the Central Aviation Academy from Hangchow was also present.

Commandante de Barnardi executed a great number of daring stunts while the crowds watched breathlessly below. A particularly thrilling maneuver was a tail-spin starting at an altitude of about 600 feet, completing three turns, and pulling out of the spin at about 100 feet.

Twelve-Million Bond Issue Approved by Executive Yuan

The Executive Yuan Feb. 20 passed a proposal submitted by Ku Meng-yu, Minister of Railways, for flotation of First Railway Construction Bonds valued at $12,000,000. After slight modification, the proposal was forwarded to the Central Political Council for final approval. It is understood that the regulations for the issuance of the bonds will be sent to the Legislative Yuan for consideration before they are promulgated as law.

According to the brief official bulletin issued after the conference of the Executive Yuan Mr. Ku told leaders that the bonds are for the purpose of financing "the repair of old lines and the construction of new projects." It is believed that the loan is primarily for completion of the Canton-Hankow Railway, which was started decades ago. The British Returned Boxer Indemnity funds will be pledged as security.

U.S. Bill Would Put Silver on Bryan's Ratio of 16 to 1

James Scrugham, Nevada Representative, Feb. 16 introduced a bill requiring the Treasury to purchase a total of 1,000,000,000 ounces of silver in monthly installments, until a price ratio to gold has been reached of sixteen to one.

Entire U. S. Fleet to Return to Pacific after Maneuvers—with Additions

The entire United States Fleet, including thirteen additional ships, will return to the Pacific Coast after the summer maneuvers on the Atlantic Coast, in was announced in Washington, Feb. 16. Additional ships will return to the Pacific with the fleet after the Atlantic visit. Among them will be the remodernized battleships *New Mexico, Mississippi* and *Idaho*, five new heavy cruisers, the U.S.S. *San Francisco, Nem Orleans, Astoria, Minneapolis* and *Tuscaloosa*, the new aircraft-carrier, U.S.S. *Ranger*, two of the new type destroyers; and two submarines.

Secretary of State Hull. Chairman Jones of the Reconstruction Finance Corporation, Secretary of Commerce Roper, Ambassador to U.S.S.R. Bullitt, and other officials conferred at Washington Feb. 8 on the activities of the Washington Export and Import Bank, organized for the financing of Soviet-American trade. The report of the creation of this bank has caused a rise in the stocks of enterprises interested in U.S. trade with the Soviet Union.

President Roosevelt Feb. 15 signed a bill providing for an appropriation of $950,000,000 towards unemployment relief.

China to Declare Silver Embargo?

There are indications that China may lay an embargo on the exportation of silver, local banking circles declared during the week. An embargo on silver from China is considered desirable by Chinese bankers in view of the fact that the United States may adopt a silver policy which will cause an exodus of silver from China and affect the stability of the silver market in China.

The enforcement of a silver embargo in China, it is declared, will be in accordance with the Silver Agreement signed by the China delegation to the World Economic Council last year. The agreement provides that China, as one of the signatory nations, should refrain from selling silver abroad for a period of four years. The Ministry of Finance, according to local banking circles, will shortly submit the proposal of laying an embargo on the exportation of silver before a meeting of the Executive Yuan. The same meeting will probaly declare China's formal ratification of the silver agreement.

Incidentally, there have been rumors that China may inflate the local Chinese dollar. However, Dr. H. H. Kung, Minister of Finance and vice-president of the Executive Yuan, emphatically denies that there is any possibility of an inflation of the Chinese dollar by government action. On the contrary, he said, every effort would be made to stabilize the Chinese currency. Nothing was further from the thought of the national government leaders, he said, than to devaluate the standard silver dollar.

Americans to Build Airplanes for Russia

Negotiations are under way with the Soviet Government for airplane engine contracts involving more han $2,000,000. Guy W. Vaughan, president of the Wright Aeronautical Corporation, has been conducting negotiations with the Soviet Government for the past several months and they are now nearing completion. Under the tentative plans, airplane engine factories would be established in Russia, with Russian workers and American supervisors.

Nanking Considers Despatching Troops to Sinkiang

Among other measures proposed for the settlement of the trouble in Sinkiang Province, the national government is considering the despatch of a picked force of 10,000 troops to suppress the rebels, according to a *China Press* dispatch from Nanking on Feb. 19.

In addition, government envoys will be sent to Sinkiang for pacification purposes and to supervise the reorganization of the political and military affairs in that province. Funds will also be appropriated by the central government to carry out the various rehabilitation projects and the construction of public highways in Sinkiang.

L. E. Hudec Secures Judgment Against Grant Mark

Judgment in favor of L. E. Hudec, architect, for $19,849.02 was given by Judge Milton D. Purdy in the U. S. Court for China Feb 20 against Grant Mark, doing business under the firm name and style of Greater Theatres Syndicate. The court for several weeks had the case under advisement.

Critical Soviet-Japanese Relations Viewed Through the Eyes of Japanese Soldiers

BY THE REVIEW'S TOKYO CORRESPONDENT

(Translations from various Japanese publications)

THE strained relations between Soviet Russia and Japan have attracted the keen attention not only of said two nations, but of the world at large. In a previous issue of *The Review* the general situation as viewed by various publications has been referred to, but the relations have since grown more and more threatening, so that every bit of news occurring between the two countries contributes to darkening the shadow the more and there is not the slightest clue to the means of undoing their entangled relations, to say nothing of further cementing their friendship. Nearly every telegram from Moscow, special or otherwise, serves merely to add fuel to burn the nation's pessimistic "frame of mind." When all the leading Japanese papers report the bright prospect of a conclusion of the C. E. R. purchase negotiations through the good offices of Ambassador Konstantin Yurenev and Foreign Minister Hirota, February 6 issues of all leading Tokyo papers published a *Dentsu* despatch from Hsinking to the effect that there is no hope for the reopening of the negotiations due to the uncompromising attitude of Soviet Russia. What is far more sensational is that practically all principal Tokyo and Osaka newspapers gave prominence to the *Dentsu* or their own special despatches to the following effect: "The War Minister Voroshilov of the U.S.S.R. in his speech before the general meeting of the U.S.S.R. Communist party boasted of the well-preparedness of his country against any attack from east and west, giving detailed accounts as regards the speedy expansion of Soviet armaments and explaining without reserve the actual condition of her strengthened armament, which had hitherto been kept sercret. Woven in his address he remarked that, in the face of the public declaration by leaderrs, politicians and newspapers in Japan of the need of opening war against Russia, it would be an odd thing for the Soviet Union to continue showing a friendly attitude toward Japan as if mindful not to lose her confidence placed in his country. He added that the armament of Soviet Russia may be a source of anxiety on the part of Japan and that if the U.S.S.R. remained defenseless and non-resisting like China at the time of the outbreak of the Manchurian Incident in 1931 Japan would be pleased, but the Russians had no intention to give it that pleasure despite their possessing ample virtue of modesty." (*Tokyo Asahi*, Feb. 5). Commenting on these remarks of the Soviet War Minister, the Japanese military men said in effect: "It seems that the Soviet leaders are addicted to the strange psychology, peculiar to revolutionists, of imagining numerous things and then proceeding to deal with their imaginary creation as if they were real. The process resembles the mental state of a hysteria patient." Furthermore, just as if the mud flinging race became aggravated, Moscow neswpapers denounced Foreign Minister Hirota's Diet speech, the *Izvestia* for instance declaring "Mr. Hirota evidently meant to lessen his responsibility for the aggravation of the situation in the Far East, which rests entirely with the Japanese Government, but he cannot, by a few sentences, relieve himself and the Japanese Government of this responsibility." (*Tokyo Nichi Nichi*, Jan. 28). Another cause for stirring up the Soviet's public opinion is the creation of Manchukuo Empire; Moscow papers call the formation of the Manchukuo monarchy a sinister design of the Japanese Government. (*Tokyo Nichi Nichi*, Jan. 21). Thus, every affair tends to whet antipathy on both sides and people are greatly concerned about the next turn of the situation. The idea that the relations between Japan and Soviet Russia have grown so critical must be unbearable to the Japanese, because, unlike the United States which is situated farthest from the country, the Soviet Union is an immediate neighbor, and personal contact with the citizens of Tokyo fully endorses this fact.

Possible Causes of Soviet-Japanese War

(By Lieut-Col. Setichi Aoki (青木成一), Press Dept. of War Office,—in book form, Feb. 1)

Soviet's Far Eastern policy.—Japan is a country of monarchical regime three thousand years old, whereas Soviet Russia is a state diametrically opposed to it in national structure. Moreover, it is the unchangeable motto of the U.S.S.R. to convert the whole world into communism and its special enthusiasm in dying red the Oriental countries is recognized in Lenin's statement, "The fate of the communization of the world will be decided in the east." It is beyond all doubt that this traditional policy of the Soviet Union is incompatible with the traditional Japanese policy of peace maintenance in the East and the new national structure of the State of Manchukuo and that this contradictory situation will be further aggravated in proportion to the improvement in the internal conditions of Soviet Russia. The fundamental cause for the two countries having to stand in rival relations lies in this point.

Having failed in its communization expedition toward the west following the founding of her new government the Soviet Union turned her evil hand toward countries in the Orient, probably with her eyes on the various colonies of the Powers. To ensure effective demonstration of communism in these colonies of the East she tactfully employed the service of two machines, that is, the U.S.S.R. Government and the International Communist party. Since the leaders of the International Communist Party hold the political right of the U.S.S.R., the three organizations of the U.S.S.R. Government, Soviet Union's Communist party and the International Communist party are one and the same thing.

Villainous diplomatic practice.—In a word Soviet Russia is a country that can nevet be trusted. One glaring evidence is that when the Soviet Government replaced the imperial regime it evaded payment of foreign loans. Besides, declaring that she would relinquish all her old right and interests in the Orient secured during the imperial reign, the Soviet Government obtained recognition by China, but as the national strength gradually recovered it began to insist on the once forfeited right and interest.

In short, the diplomacy of the Soviet Union does nothing more than serving as a means to camouflaging sovietization of foreign countries. Her foreign policy is another name for the practice of sovietization. But the real object of her diplomatic activities cannot be practiced in public and this is why the Government hides itself behind the signboard of the International Communist Party and pretends to be a guardian of the world peace. While insisting, at the Geneva disarmament conference, on the total abolition of armament instead of a petty reduction, the Government is intent on creating the strongest army in the world at the expense of the nation.

Seeing the successful expedition of the Japanese army into north Manchuria and Jehol the Soviet Government proposed the conclusion of a non-invasion pact and the purchase of the C. E. R., pretending friendship toward Japan and Manchukuo. Her underlying motive is apparant in the progress of the C. E. R. negotiations.

Military Plan Has Been Successful.—What requires our attention most is the Five Year Plan. The construction of the railway extending for 1,400 kilometers connecting Turkestan and the central part of Siberia is worthy of special attention, for it is high in economic, political and strategic value. Next comes the laying out of an industrial center in the Ural district. This is significant not only as the source of economic activities but also as a powerful evidence of the advance of the U.S.S.R. toward Siberia. The other railway enterprises have also been successfully carried out in all directions side by side with the phenomenal development of the air-route. The impression of the lonely Siberian railway running straight through the wilderness of the deserted Siberian plain is now a thing of the past. In this way the Five Year Plan has reaped fruit, and though it has brought unbearably heavy burdens upon the shoulders of the people the magnitude of its strategic significance is undeniable.

As to the Second Five Year Plan, our attention is directed to its having selected the site for the heavy industry in the Far East. Furthermore, the fact that tens of thousands of ex-service men are yearly sent to the district bordering Manchukuo to be engaged in farming eloquently tells where lies the true intention of the Soviet Union. The Five Year Plan has served to strengthen the national defense of the country but this is not the sole object of the attempt, for the Government plans, through the successful execution of

the plan, to stir up the foreign markets by means of dumping and thereby to destroy the cooperation between capital and labor as a sure step toward international sovietization.

Evil hand of Sovietization Stretched:—Soviet Russia's bolshevization movement of the East is the most dreadful. By way of showing the oppressed races in the East how well the communist reign brings about a Utopian state, Soviet Russia created a few republics near Outer Mongolia and Sinkiang.

The Soviet Government utilized the Manchurian Incident as a means of attacking capitalist nations. The Communist Party's activities in Manchuria, Vladivostok and other places following the incident and its secretly backing the independence movement of Korea, eloquently speak for the rampancy of such movement.

Future of China requires our careful attention:—Ever since the Red army made the independence of Outer Mongolia possible in 1924, it has been bent on reinforcing its strategy, which forms the center of the Outer Mongolian forces. That the toops under Gen. Feng's command were supplied with munitions and strategic convenience by the Red army indicates the underlying motive of the Soviet design to fulfill the ambition to come out to the Peiping-Tientsin district. The Soviet activities in Sinkiang Province are remarkable and her advance into the province is but a question of time. Her design at Sinkiang is most laborious and deep-rooted and the late revolt by a group of Mahommedans can be pointed out as an example of her activities, according to the observation on the Chinese side. It is surmised that the Red army in Sinkiang will in future extend its invasion toward China Proper and eventually shake hands with the Communist army in Central China. That the Far Eastern Bureau of the International Communist Army suddenly commenced activities upon the resumption of U.S.-Soviet relations also engages our attention. As is frequently reported by the press the sovietization movement in China is daily growing in strength and threatens to spread all over the Chinese Continent. The communist army in China now reaches 300,000 strong, whereas in 1926 it had no more than twenty to thirty thousand members. Despite the punitive expedition of the Central Government the communist army in Kiangsi Province is steadily growing in influence. This state of affairs is regrettable not only for the welfare of China but also for maintaining peace in the Orient.

What Is the Preparation For?—At the back of the Communist propaganda there is armament. Of late years Soviet armament has been remarkably enlarged and the strength gathered in the Soviet-Maochukuo border district reaches three times that before the outbreak of the Manchurian Incident. What is the aim of so elaborate warlike preparations in Siberia and Vladivostok?

To sum up all these, we arrive at the conclusion that although outwardly there is no sign of the Government's brewing armed conflict with Japan, yet at the back of its activities there still works unaltered the evil hand of the International Communist Party and no change is noticeable in its fundamental policy toward the East. Such a situation is absolutely inconsistent with Japan's traditional policy of establishing peace in the Orient. Unless Soviet Russia revises her knavish attitude the cause for armed conflict will never be eliminated between the two countries.

Watch the Soviet's Movement in the Far East

(By Major Jiro Saito (齋藤二郎), *Press Dept. of War Office—Jitsugyono Sekai, Feb.)*

Armament of Soviet Russia.—While demonstrating the need of international abolition or reduction of armament and intent on diffusing the anti-war thoughts, the Soviet Union is most steadily and positively converting her own into a militaristic State.

Especially, following the outbreak of the Manchurian Incident and consequent complicated Soviet-Japanese relations, Soviet Russia has been bent on augmenting her armament in the Far East and as the result not only the military forces were greatly increased but also a marked improvement in all directions of military preparedness at the frontier has been effected. At important strategic points bordering Manchukuo permanent and extremely strong fortified zones seem to be under construction and modern style fortifications and barricades are met with. These can be passed as defensive works, but in view of the fact that the fortification with modern technique can generally be utilized as an offensive means, the object of the Soviet's providing these defensive works can never be regarded simply as a means of taking the defensive.

True Japanese Spirit.—Besides, the super-heavy bombers which the Soviet Union provides herself with beyond the border-line show the inner motives she possesses, for who could regard them as defensive arms? All these apparently aggressive arms demonstrate where lies the undeclared motives of Soviet Russia.

On the part of Japan, however, she has, since the outbreak of the Manchurian Incident, been respecting the right and interest of Soviet Russia, always reporting in public the strength of military forces stationed in Manchuria, using the utmost scruple in despatching as few as possible, in order to show her sincerity toward Soviet Russia. When she is convinced of this fact, the U.S.S.R. keeps on increasing her Far Eastern forces, and moreover she keeps their actual strength a secret. It is therefore but natural that Japan cannot but be induced to entertain doubts as to the true object of the recent activities of Soviet Russia.

Remarks by Lenin.—Soviet Russia's Far Eastern policy can be put in a few words of Lenin: "The fate of the world sovietization will be decided in the Far East." The final object of the Soviet's foreign policy lies, as all are well aware, in revolutionizing the world and dying it red. It is the contention of Russians that for the perfect execution of communism all countries of the world should be converted into communist States. That is to say, they believe there is no hope for the communist country's making healthy growth in the midst of capitalistic nations. That she behaved like a peace guardian of the world at the Geneva disarmament conference is an example of how skilfully she disguises herself.

Sweep away misgivings.—If the Soviet Union is really anxious to bring about peace in the East, she ought to make public her military strength, and since Japan's true motive is no other than the maintenance of order she ought to restore the increased military forces in the Far East to normality. In this way the stifling atmosphere in which the two countries are enveloped will be removed.

Spirit Of International Cooperation Should Be Upheld

(By Lieut.-Gen. Ryozo Watanabe (渡邊良三), *Jitsugyono Sekai, Feb.)*

There is no knowing when war will break out. Especially, when the world is so narrowed as at present the international effect of an armed conflict must be far greater than in the past. Such a problem must therefore be treated with the utmost discretion.

Will Japan and Soviet Russia fight? That Japan has Russia as an immediate neighbor is a reality unfortunate to Japan. That Japan regards Russia as an eye-sore is not at all unreasonable. And that this very Russia has completed her first Five Year Plan and embarked on the execution of the second enterprise is a great menace to the rest of the world, especially to our country.

There is no small number of people in our country who maintain that before we find Soviet Russia strong enough we should deal a vital blow, and I too agree with them if such is practicable, but the present relations between the two nations have not been so much aggravated.

Japan sacrificed her connection with the League of Nations and stood against the rest of the world with regard to the establishment of Manchukuo. Should, in addition to this decided step, she cause a war without a sufficient reason, Japan will have to find herself completely isolated. It is wrong for a country to fight merely for the sake of its own interest or with the object of mere acquisition of more territory. Righteousness must be observed at all times and by all nations.

Some maintain that Japan has attained her greatness of today through her victory over Russia and China. This is true. And that the United States has attained its present greatness is the result of her joining the World War, but the fact that Germany has fallen to the standard of a second-class country is also due to the World War. If Germany had refrained from crossing swords at that time she would have become the world's strongest Power. Fight when we must, but to hasten to go to war before the time is ripe is what we must by all means evade.

What is the most important factor in this connection is complete state defense. We must perfect our national defense works so that we may not be made light of by other Powers. In this respect I am sure everything is satisfactory in our country.

However, war is the last resort and we should always bear in mind that it is our ideal to bring about prosperity in the world hrough international cooperation.

Critical Soviet-Japanese Relations

(The following is a sammarized translation from the discussions at a meeting of influential military authorities on Soviet Russia held under the auspices of the Shincho Sha Publishing Co.—January issue of the *Hinode*).

Major Gunki Nayashi (林軍喜), Inspection Section of War Office: There are various causes that may develop into armed conflict between Japan and the Soviet Union. To make a long story short, it is the Soviet's basic national policy of sovietization that is the most fundamental of all. That the evil hands of the Reds are stretched wide in our country is evidenced by the result of the police inspection of the members of the communist party in Japan. Even after the Manchurian Incident the Communist party announced a new "thesis" showing the course of movement to be followed by the members, besides giving an instruction to disable Japan's Manchurian policy and disturb her War preparations. The question, as was predicted by Lenin, will be solved solely by a thrilling clash between capitalism and communism. Between Japan's policy toward Manchuria and Soviet's Far Eastern policy there is a wide gap. At the time of the outbreak of the Manchurian Incident Japan had no schedule as to how to deal with the Soviet's influence, though, as a matter of fact, due to the incident the Soviet's power has automatically been swept away. Undoubtedly this proved a cause of dissatisfaction to the Soviet Union which adopts an aggressive policy toward the Far East. Therefore, it is not at all unreasonable to think that so long as she upholds her aggressive Far Eastern policy the clash between Japan and U.S.S.R. is but a question of time.

Lieut.-Gen. Kiyokatsu Sato (佐藤清勝): To study the question from a broader viewpoint, we may point out two important causes for conflict: (1) powerful growth of the two nations, (2)

fundamental difference between traditional Japanese culture and the Soviet's culture of communism. In a century both countries will have a population of over two hundred million. As Japan will have to seek for more land beyond the Soviet-Manchukuo boundary, so the Soviet Union will find it unavoidable to advance toward the Far East, thus making the frontal clash between the two countries inevitable. As to the second cause, Japan's traditional culture (皇道文化) belongs neither to capitalism nor communism but is unique in the whole world, having no parallel. Principal causes of possible clash between the two nations may be traced to these points. The frontal clash is but a question of time.

Major Kazumaro Horike (堀田毛一), Inspection Section of War Office : I understand Gen. Sato's view concerns the relations in a remote future time while Major Hayashi's concerns the immediate future.

Lieut.-Gen. Sato : At any rate I am of opinion that a clash is unavoidable in near future. Japan must be perfectly prepared for the emergency.

Shinsaku Hirata (平磨晉策), civilian authority on military affairs : At the time the Five Year Plan was about to be started there was a quarrel between Lenin's faction, which insisted on creating a world war and Stalin's faction which demanded strengthening within before dabbling in affairs without, ending in Stalin's victory. And Stalin pledged to launch the movement of a world revolution when the armament is completed and heavy industry fully developed. From this fact we feel we may conclude that even if Japan remains inactive the other side will commence activities and challenge her.

Major Horike : Stalin has not relinquished the principle of revolutionizing the world ; he adopted the state socialism merely as a strategic means. None can doubt that he will embark upon the program of sovietization of the world after the national strength, if guaranteed.

Major Hayashi : In spite of whether the Five Year Plan succeeds or not, Soviet Russia is placed in a position to have to wreak her internal grudge outside the country.

Mr. Hirata : For Stalin to saefguard his political authority it may be impossible to remain in peace with the rest of the world.

Major Horike : At the time of the outbreak of the Manchurian Incident a certain Baltic paper, commenting on the attitude of the Soviet Union toward the incident stated to the effect that unbecoming her strong stand the Soviet Union could do nothing against Japan's action. Soldiers of the Soviet Union were at that time divided into two groups, one of which insisted on taking up arms against Japan and the other preferring the use of more prudence. Although the latter's influence prevails at present it is not unreasonable to expect that they will direct their united attack against Japan as soon as preparation is completed. We on our part must therefore be ready to successfully meet such an eventuality.

Lieut.-Gen. Sato : It is quite evident the Soviet Union, taking advantage of the completion of the Five Year Plan, will assume stronger attitude and come forward to tease Japan. At a mass meeting of the Communist Party Stalin stated in his address that the heavy industry was scheduled to be completed by the end of 1932 but failed, leaving much of it undone, in consequence of Japan's refusing to agree to the proposal regarding a non-aggression pact. This is evidently inconsistent, because it was toward the end of 1932 that Japan refused concluding the pact while the Five Year Plan was scheduled to be completed in Dec., 1932. Thus it is a common practice of Soviet leaders to shift their responsibility upon the shoulders of another nation. To protect his own political right and to maintain the Communist Party's influence Stalin may assume any attitude. Apart from the question of the success or failure of the Five Year Plan, there is thus ample possibility of the outbreak of war between the two countries.

Mr. Hirata : I believe a clash between Japan and the U.S.S.R. may be unavoidable on the coast of the Yangtsze River.

Kameichi Kashu (夏秋龜一), civilian authority on military affairs : Even before the outbreak of the Manchurian Incident I often insisted on the need of fighting Soviet Russia in order to stabilize the situation in Manchuria. But, fortunately or unfortunately, the Manchurian trouble happened earlier. Still, it is imperative to fight Soviet Russia in order to protect the new state of of Manchukuo. It is my firm conviction that an armed conflict with Soviet Russia is inevitable to safeguard the life of the Japanese nation . . . . . As to why Soviet Russia does not challenge us now, it is because she is internally in quite a disturbed condition. She is now in a state of famine. This is not at all an exaggeration, for some even live on human flesh. Due to the Government's failing in its agricultural policy prices of foodstuffs and daily necessities are frightfully high. Formerly what I wrote about the miserable situation in Soviet Russia none believed, but the people are now becoming wiser. It is therefore inperative that Japan catch hold of the earliest chance.

Major Gen. Ryu Saito (齋藤瀏) : I agree with Mr. Kashu. For her self-protection Japan must by all means stand against Soviet Russia.

Mr. Hirata : When I saw the head of the Intelligence Bureau of the Soviet Embassy in Tokyo, he said, "Japan is fortunate because Soviet Russia refrains from challenging her." This made me burst out in laughter. Then, he added, "Russia is far more so." Now, in the event of the outbreak of a war, I am confident that the Russian side, realizing the gravity of the situation, will mobilize on a larger scale than at the time of the Russo-Japanese War. Surely, the Soviet army will advance into Manchuria as is surmisable from the position of its strategic bases. You see that it is ready to attack Manchuria from three sides—north, east and west. Only this battle formation requires a big force. The strength of the Red army now stationed in the Far East is 100,000, and it is made up of corps that produce speed. If an able commander is added to it, it is not necessarily impossible for the Soviet army to successfully invade Manchuria. At least this is theoratically not impossible. The leaders of the Red army generally support making positive attack. It is surmised that, unlike Lenin's favorite strategy, the Red army's plan of operation is to assume the offensive from the very beginning. I consider the Soviet army contemplates three kinds of tactics : (1) in the event of its communications between forces in Trans-Baikal, Amur and Premorskaya Provinces are cut off and having to fight in its own territory, (2) in case of having to fight along the border line, and (3) when, by advancing into Manchuria, turning the Great and Small Khingan Ranges and Mutankiang into battle field. Of course the Red army must prefer the last mentioned. Importance is attached to the engagement during the first ten days or so. God knows whether the tactics with which the German troops advanced into France in the summer of 1914 could be duplicated in this case.

Liu Kwei-tang's Forces Disturb North Honan

(From the Review's Correspondent in Kaifeng)

KAIFENG :—Remnants of General Liu Kwei-tang's troops are disturbing the peace at Chinyang, Wenhsien, and Tsiyuan in North Honan. Several hundred of them got over on the southern side of the Yellow River on February 14 at Yima in West Honan. According to a high military officer, it will be very difficult for the government troops to exterminate them, in case they proceed westward into the Taihang Mountains from Tsiyuan, or cross the Yellow River on the southern side to join hands with Wang Yu, a well known libertine. They are said to have employed numerous people to make rafts for them in order to cross the river.

General Liu Kwei-tang calls himself "Commander-in-chief of the People's Self Defense Army." He possesses about 5,000 followers, all well equipped with modern weapons, and under three commanders, viz., General Tsui Pang-chien, commandant of the second division, Su Hsia-tze, commandant of the third division, and a man, named Liu, commandant of the first division. In order to guard against Liu's remnants crossing the river, the 10th cavalry division, under General Tan Tze-sin, is under orders to garrison the southern bank of the river from Kaifeng westward to Chengchow, and the 14th cavalry brigade, under General Chang Chuan-kwei, from Chengchow westward to Kunghsien. General Chu-o, garrison commander of Chengchow, has sent the 9th section of the armored train, patrolling along the Lunghai line in the vicinity of Loyang in West Honan, and the 4th section of the armored train, patrolling along the Lunghai line between Chengchow and Kunghsien. The Kaifeng Pacificational Headquarters have instructed all magistrates on either side of the Yellow River, asking them to watch closely, lest the rebel troops cross the river secretly. Guards are stationed at all the ferries of the river and search and question all passengers. The 14th cavalry Brigade of the 57th army, under General Ho Chu-kuo, has crossed the river to oppose the rebels. On the night of February 11, Liu's remnants attempted to get across at Tsiyuan, but were driven back the next morning.

Since penetrating into the Honan region, two hsien capitals, viz., Shehsien and Chinyang, were captured by the rebel army. They took Shehsien on January 19, and were driven out on the 31st of the same month. Wherever they went, they demanded food supplies and silver money. Quite a number of houses were fired and numerous people killed.

Banditry in South Honan

About one thousand bandits, under the redoubtable Hsiao Lu-shao, and Ku Ta-shen, recently decamped into the Tangho region from North Hupeh. General Chiang Kai-shek has ordered the 20th route army, under General Chang Fang, to suppress them. According to Wei Hsi-keng, chief secretary to General Chang Fang, the number of the Communists who are hiding themselves in the deep mountains in Libunghsien, on the Honan-Anhuei border, is about 10,000. It seems that they are not able to commit many depredations.

The 106th division, under General Shen Ke, is under orders to move towards Taiho, Anhuei, to suppress Communists. General Shen has been stationed with his army at Chowchiakou in Central Honan during the last several months.

Kaifeng, February 16, 1934.

The Silk Industry of 1933

BY PAUL K. WHANG (汪仲芳)

OUR silkmen have passed another milestone in their long journey of depression. For three consecutive years, they have fought valiantly with the spectre of depression, and have been groping in the pitch darkness. Occasionally a ray of hope has streaked through the darkness; but before it has reached broad light, it has soon faded out, and the economical firmament has become darker than ever. Many have perished with exhaustion at the first lap of this long journey; many more have succumbed with despair at its second lap; and only a few who have a strong faith and firm determination have now reached its third milestone. What distresses these few survivors the most is that this journey of depression seems to be endless, and that they themselves will also be prostrate before they reach prosperity.

Throughout the year the market was dull with such a consistency that it became monotonous. For the first five months, the price of raw silk was continuously on a low level, and reached the lowest watermark in the middle part of May, when the White Steam Filature Silk of a medium quality was quoted at less than Mex. $700 per picul in the local market, an unheard-of price in the past eighteen years. Even at this exceedingly low price, no buyers could be found in the market.

As if to cheer up the downhearted silkmen and provide them with a brief breathing space, the silk market suddenly became very active and the price went upward steadily and consistently since the beginning of the Spring cocoon season. In the early party of July, the price of White Steam Filature Silk was registered with an increase of Mex. $200 or more per picul, while that of Szechuen and Shantung silks also increased to a lesser extent. For the first time in the past three years, the silkmen were in a more or less cheerful mood and prepared to resume their long foresaken business once again. During the cocoon season, many silkmen and cocoon merchants who had quit the business for the past two years went to the cocoon-producing districts to purchase cocoons, and about one-third of the cocoon-buying stations in Wusih and other cocoon-producing centers were opened up.

The price of Spring cocoons was cheaper than usual, but their quality was much better than expected. In most cocoon-producing districts, the price of cocoons of disease-free eggs was around forty dollars per picul, while that of native eggs was below thirty dollars. They were less than half of the prices paid two or three years ago. Beeause of the mild climate and fair weather, the quality of cocoons was very good and the yield, in most cases, was less then 500, that is to say, taking less than five piculs of dry cocoons to make one picul of raw silk. Based on the then market price of silk, the silkmen could earn a good profit in manufacturing these cheap cocoons into silk. Thus about eighty filatures out of the total 187 in Central China resumed operations.

Silkmen Are Disappointed

But before this faint ray of hope glowed into broad light, it faded out as suddenly as it had risen. Hardly had the silkmen settled down in the reopening of their filatures, the market, as if by the touch of a magic wand, suddenly turned downward, and the price declined consistently since August. At the end of the year, we found that the price dropped down to the same level as it had been in the month of May. Those silkmen who had expected to earn profit from their cheap cocoons found to their great distress that they could not dispose of their silk even at a loss. Out of sixty-five filatures in Shanghai which resumed operations after the cocoon season, only six remained opening at the end of the year. The outlook seemed to be darker than ever.

The labor strife has always been a feature of the local silk industry every year. On July 5, a general strike was declared among the silk workers in Chapei and Hongkew districts, and was called off only after the filature operators had promised to increase their wages from 45 cents to 50 cents a day and to pay the allowances. Then again in the latter part of August, the filature operators in Chapei announced that they would introduce the piece-rate system to the workers in the Reeling Room from September 1st, last year. This announcement of the change in the wage system drew fire from the reelers who went on a series of short-lived strikes to oppose its introduction. In October, owing to the fact that many filatures in Shanghai suspended operations, owing to the slump of the silk market, the silk workers, in order to induce the filature operators to keep their establishments open, agreed to reduce their wages from 50 cents to 45 a day pending the revival of the silk trade.

It becomes monotonous and insipid to dwell on the dark side of the picture without telling its good side. In this acute business slump, we, nevertheless, have found many encouraging signs. It is especially grateful to state that the production of disease-free cocoons last Spring was unusually big, and therefore the crop was considered to be very good. In some districts at Wusih, it was said that about 90% of cocoon production was of disease-free variety. Their quality was very good and yield under 500. Although the crop of native and non-improved cocoons in numerous and large zones was estimated to be a figure of at least 100,000 piculs it is expected that this year's production of disease-free cocoons will be even greater than that of last year inasmuch as the merits of disease-free eggs have already become known to the farmers as a result of many years of educational campaigning.

Modern Methods Introduced

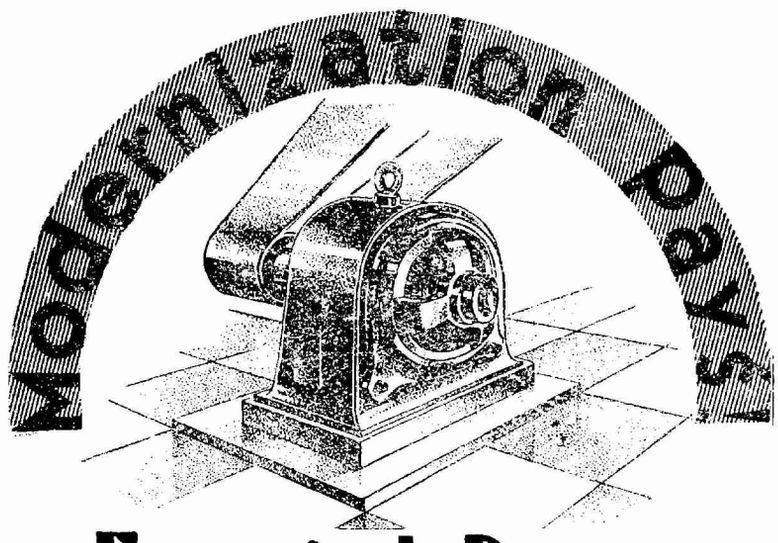
Notwithstanding the depression in the silk business, a few of the progressive and energetic silkmen have not yet lost their hope in the future of China's silk trade. S. H. Sih, an Illinois graduate, has spared no efforts in introducing modern methods of silk production to his chain of silk filatures in Wusih, and in improving the quality of China silks. Y. T. Chou, a M. I. T. graduate, has opened up a modern silk filature in Hangchow. Mr. Chou's filature, which is now known as the Jade Pagoda Silk Filature, has had many notable features which should be highly recommended to the other silkmen who have entertained an ambition to rejuvenate and rehabilitate the silk industry. It has not only adopted new methods in manufacturing and marketing silk, but it has also promoted the welfare of female workers as a means to secure the close cooperation between labor and capital. Nay, it has helped the farmers in its vicinity to form cooperative societies in the way of producing cocoons of a good quality and also relieving rural distress.

It is inspiring to note that these young men who have received good education and technical training in the United States have now applied themselves to this stupendous task of rebuilding China's silk industry. Those old-styled silkmen who have operated their silk filatures by traditions and experience instead of technical knowledge and training must give way to this new type of silkmen, who are progressive, enterprising, and susceptible of new changes. It is hoped that this year more qualified young men will enter into the realm of the silk trade and take over the responsible positions from their old fathers. It is upon this new type of silkmen that the destiny of China's silk industry hangs.

Another encouraging event which should be mentioned here is the fact that in October, the National Economic Counici dispatched a special silk commission composed of many lkl experts, including Dr. Benito Mari, League of Nations advisor,sto Szechuen to study on the spot the sericultural conditions in that remote province with the object of finding ways and means for their improvement. The significance of that event lies in the fact that this was the first time that the Central Government had ever turned its attention to the sericultural conditions of a very remote province. Hitherto government attention had been chiefly concentrated on the measure of developing the silk industry in East China, consisting of Kiangsu, Chekiang and Anhwei provinces. But East China is not the only silk producing center in China. Roughly speaking, China has about five silk-producing centers, namely, East China, Kwangtung, Szechuen, Shantung and Hupeh. It is hoped that in order to develop China's silk industry as a whole, similar commissions will be also dispatched to other silk-producing centers this year.

Artificial Silk a Menace to Real Article

There are also some points of minor interest which deserve attention in reviewing last year's silk trade. At a meeting in November among the weaving mill operators in Kiangsu and Chekiang provinces at Shanghai, it was proposed and adopted that a petition should be addressed to the Nanking Government to urge the government authorities to appropriate a sum of $20,000,000 out of the American Cotton and Wheat Loan for the purpose of building up a modern artificial silk factory. It is indeed paradoxical that a country which has been known to the world as that of producing beautiful real silk should find it necessary to advocate the manufacture of its own artificial silk with which to substitute the use of real silk. We must admit that the ascendancy of artificial silk into power in the textile world has become a deadly menace to real silk.



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When the year drew to an end, the silkmen were busily engaged in holding meetings to discuss the relief measures. They unanimously agreed that as a means of relieving the silk distress, the Government should instantly institute a Commission for Rationalization of the Silk Industry. A Commission for Rationalization of the Cotton Industry was organized last October under the auspices of the National Economic Council; but in spite of its institution, the price of cotton yarn dropped drastically in the latter part of November. Therefore it is exceedingly doubtful that any effective commission can be formed to regulate the price of raw silk, which, as a matter of fact, is subjected to the market conditions of foreign countries.

In conclusion, I am of the opinion that the revival of the silk trade is not in sight in the immediate future. Silk, though its use has been very much popularized in recent years, is still considered a luxury, and its demand can not be increased, unless the purchasing power of the people has been first improved. Unless the people can earn enough money to buy luxuries, the sale of silk products will be still restricted to a few who can afford to buy. Therefore, increased sale of China silk can not be expected, unless the general trade conditions have first returned to normalcy.

Shanghai, Feb. 19, 1934.

Sino-German Steel Works May Be Built at Saddle Hill

The draft agreement for the joint establishment of a Sino-German Steel Works was forwarded to the Executive Yuan by the Ministry of Industry and the Nationsl Economic Council for approval Feb. 18. Upon sanction by the Executive Yuan, the agreement will be signed by the Ministry of Industry and the representative of the German Gutehoffnungshuette Company. The works will be established at Ma-an Shan (Saddle Hill), and will be completed in three years. The machinery will be purchased from Germany, while the coal supplies for the factory will be obtained from Pingsiang, western Kiangsi.

Ten Curtiss-Hawk Planes Being Bought With Salvation Funds

Ten Curtiss-Hawk pursuit planes have been ordered from the United States by the China National Aviation Association with funds raised by officers and employees of all government railways including the Peiping-Hankow Railway in China. The money was forwarded to Shanghai from the Ministry of Railways in Nanking.

Of the 10 airplanes being purchased from America, two will be christened after the name of the Peiping-Hankow Railway, one after the name of the Tientsin-Pukow, one after the name of the Cheng-Tai Railway, one after the name of the Shanghai-Nanking and Shanghai-Hangchow, one after the name of Peiping-Liaoning, one after the name of Lunghai, one after the name of the Kiaochow-Tsinan and one after the name of the Peiping-Suiyuan.

Eurasia Mail Plane Makes Peiping-Sian Trial Flight

The trial flight over the new route from Peiping to Sian, Shensi Province, of the Eurasia Airmail was conducted by L. Ching-tsung, managing-director of the Eurasia Aviation Corporation Feb. 19 when a plane took off from Peiping for Sian The Peiping-Sian line is one of the two new routes recently exploited by the Eurasia Aviation Corporation. The other one is from Canton to Sian. After a few days stay in Shanghai following the conclusion of the trial flight over the Peiping-Sian line, Mr. Li will fly to Canton to confer with Cantonese authorities with regard to the construction of an airdrome.

Capt. Sun Tung-kan Receives Airplane as Present from Wealthy Resident

Captain Sun Tung-kan, German-trained flyer who last year completed a Berlin-China flight and a round-the-country aerial tour, came to Shanghai during the week to receive an airplane presented him by Tu Yuen-sen, well known resident in the French Concession. The plane has been equipped with a new and more powerful engine, as the old one was considered inadequate for long-distance flights,

Tibet and America to Be Linked Up by Air

BY GEORGE K. T. WANG

IN spite of all her present difficulties, political, financial, and military, China is making long strides in the development of her aviation. The project to open the newly-projected airway between Lhassa and Shanghai, which at the same time means the establishment of closer relations between Tibet and China Proper, looks all the more significant as the whole of China's western frontier is in a state of great precariousness.

With the completion of the newly-planned air line, the travelling time between Shanghai and the capital of the Lamaistic land will be reduced to two or three days, which formerly was a matter of more than three months. Besides, the air route linking up Shanghai and Lhassa will be almost a straight line, while formerly travellers, or even high Government commissioners, were advised to proceed to Tibet by way of India or Chinghai. As against this, in the nearest future a trial flight between Chengtu and Lhassa will be conducted by the China National Aviation Corporation, according to information from the Corporation itself.

Another very significant sign of progress made in the aviation of China is the forthcoming inauguration of the Shanghai-Manila regular mail and passenger air line. This much desired airway will serve as the western section of the gigantic air route linking up Eastern Asia and the North American Continent now being earnestly planned by the Pacific American Airways.

Aircraft Factory in North-Central China

Thirdly, one of the most ambitious plans on aviation in this country will appear in the form of the establishment of an aircraft factory in North-Central China. Negotiations have been smoothly going on between the Far Eastern representatives of the Junkers concern in Germany and Dr. H. H. Kung, Minister of Finance, who acted as the representative of the National Government at Nanking. According to special information obtained by the writer, most gigantic difficulties in the way of the final success of the negotiations have been surpassed, and the agreement will be signed by Chinese and German delegates probably within a few weeks. With the establishment of the aircraft factory, China will be enabled to own many more new airplanes, both commercial and military, with much less expense. Possibly this is the aspect of aviation development in China which is most envied by her Eastern neighbor.

The fourth encouragement to aviation enterprises in this ancient country is the projected linking-up of the capital city of the Chow, Chin, Han, and Tang Dynasties, that is, Sianfu, with the birthplace of the latest Nationalist China, namely, Canton. Trial flights have been successfully conducted by the Eurasia Aviation Corporation long ago along this new line, and the inauguration was once set at February 2 this year,—but unfortunately postponed owing to the incompletion of the preparations. The Sianfu-Canton line will further constitute only one section in the whole line linking up Canton and Peiping, the more modern "ancient capital" than Sianfu. Li Ching-chung, manager of the Eurasia, will come to Peiping soon to conduct a trial flight between Peiping and the Shensi capital through Taiyuanfu, capital of the "model province". It was again reported that the inauguration of the Peiping-Sianfu line and the Sianfu-Canton line will be effected at the same time, since the whole length of the projected lines practically joins the southern end to the northern end of China Proper.

Thus the two largest aviation corporations in this country, the C.N.A.C., and the Eurasia, are doing their best to develop the newest kind of communications for the Republic. The C.N.A.C. was constituted by the Chinese Government together with the co-operation of some leading American aviation companies, but the Eurasia is a joint enterprise between the Chinese Government on the one hand, and the Luft-Hansa of Germany on the other. In both of these companies, the Chinese capital surpasses the investment of the Americans or Germans, but the foreign partners are entrusted with all mechanical matters and even piloting duties.

The project of the Shanghai-Lhassa airway is a direct result of the passing away of the Thirteenth Incarnation of the Dalai Lama, the temporal ruler of Tibet. The National Government at Nanking has been annoyed by the tendency that Tibet would leave the Republic since the somewhat militarist policy pursued by the late Dalai Lama once actually endangered the relations between Lhassa and Nanking. But the Chinese Government was more perplexed after the passing of the ruler, because the younger statesmen in Tibet would be more easy to be deceived. Amidst this situation, the Government originated the plan to inaugurate the ambitious airline, and entrusted the C.N.A.C. to do it. The Corporation has already a prosperous regular line between Shanghai and Chengtu, the capital of Szechuen. The new project means merely an extension of the original Yangtsze Valley artery.

The Government at Nanking instructed the commander of the 24th Division, General Liu Wen-hui, whose garrison area is Eastern Sikong, to conduct a survey and submit a report on the possibilities for the construction of airfields in Sikong some time ago. Now General Liu has telegraphed his reply to the Government reporting that he had had all the necessary airfields east of the Kinsha River to be used as stepping-stones in the Chengtu-Lhassa section completed already. An official of the Sino-American interest informed the writer that in the nearest future the trial flight would be conducted. But the matter would never be made known until the final success of the trial.

Information from officials from Lhassa showed that the idea to construct communication routes between China Proper and Tibet was welcomed by leading statesmen who are controlling affairs in Tibet at present. Therefore the success of bringing together Shanghai and Lhassa appears to be certain.

The stations between Chengtu and Lhassa are Kangting and Batang (both to the east of the Kinsha River), Changtu, Shuehtu, and Tachao (in western Sikong). Those having been completed by General Liu Wen-hui appeared to be only the first two stations. The C.N.A.C. is now transporting gasoline and radio apparatus to Eastern Sikong.

The Shanghai-Manila regular line seems again to be an extension of the Shanghai-Canton line, which was inaugurated shortly before the staging of the Fukien rebellion in last November. The Canton-Manila section, however, will be operated by the Pacific American Airways, passing over the Pratas Islands in the South China Sea. This is the western-most section of the trunk line across the Pacific Ocean with Midway, Guam, Hawaii as stepping stones, leading their way easterly to the Golden Gate of San Francisco.

Airplanes to Be Manufactured at Loyang

The name of the first airplane-manufacturing factory to be established as a joint Sino-German enterprise has been fixed as the "First China Aircraft Factory." The factory will be established at Loyang, the strategical point in North-Central China, which is considered as invulnerable in view of many battles in the history of China. The purpose of the factory is to manufacture both military and civil airplanes, but the chosing of the strategical city as the site means clearly to avoid easier raids by foreign invaders.

The Junkers concern of Germany will invest only Yuan 1,000,000 in this project, while the Chinese National Government will put into it a capital of Yuan 2,000,000. With the starting capital of altogether Yuan 3,000,000, the factory will be established directly following the signing of the contract.

Though much hampered by the military situation in the Far North-west of the Chinese Republic, the Eurasia is also doing its best to develop the air communications in the country. Besides inaugurating the Peiping-Sianfu and Sianfu-Canton lines, the Sino-German concren will resume it services from Shanghai and Peiping to Tihua, capital of Sinkiang. The services to the Far North-west were suspended last September when civil warfare in Sinkiang broke out between the combattant generals, Liu Wen-lung and Sheng Shih-tsai on the one hand, and Ma Chung-ying on the other.

According to information from the Corporation, the Muhammedan General Ma Chung-ying did not try to prevent the carrying on of the regular mail and passenger services. The suspension was effected wholly due to difficulties made by the Sinkiang Provincial authorities, General Liu Wen-lung being the Chairman, and General Sheng Shih-tsai being the Commander of the Defence Forces in the North-western Frontiers. They telegraphed both to the National Government and to the Corporation saying that the services should be suspended in view of the difficulty rendering protection. The 17th of February was again set by Liu and Sheng as the date when the services are permitted to be resumed. But whether they will eat their words is a fact to be seen. The real importance of the work done by the Eurasia lies in the Peiping-Tacheng and Shanghai-Tacheng lines, because the purpose of the air communications between Europe and Asia can be served first by putting the China section in good order.

Neither the C.N.A.C. is satisfied with its present three trunk lines and the two projected lines (one to Lhassa and another to Manila), and officials of the Corporation have just completed a successful trial flight to the South-western province of the Republic, Yunnan. An air route to Yunnan will also be inaugurated shortly, either by way of Canton or by way of Chungking. The three trunk lines now being operated by the Sino-American interests are the Shanghai-Peiping line, the Shanghai-Chengtu line, and the Shanghai-Canton line. Now the Eurasia regular lines reach only Lanchow, capital of Kansu.

With French Saigon-Marseilles, and the Dutch Bandoeng-Amsterdam lines linking up Western Europe and the Far East, now Tibet and America will also be linked together by the energetic Chinese and American aviation enterprisers.

Peiping, Feb. 19, 1934.

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Japan's Hand in the Pan-Asiatic Conference at Dairen

From the "Ching Pao," (Peiping)

One of the resolutions adopted at the opening of the recent Third Pan-Asiatic Conference at Dairen was to secure the emanicipation of the Asiatic races and the realization of permanent peace through a league of all the Asiatic peoples. This high-sounding slogan would seem to indicate that Japan is a rational state. As a matter of fact, no one with a grain of common sense will be deceived by this all too familiar trick of Japan.

In convening the Third Pan-Asiatic Conference at Dairen the Japanese were no doubt actuated by the following motives: (1) to enforce her Asiatic Monroe Doctrine; (2) to work up sentiment for the puppet state of "Manchukuo;" and (3) to undermine the Chinese movement for national unification.

As conceived by President Monroe, the purpose of the doctrine bearing his name was to assure the independence of the various states on the American continent and prevent aggression by European states. But when Japan talks of an Asiatic Monroe Doctrine she has an entirely different motive in view. She has twisted this doctrine for the purpose of carrying out her aggressive program in China free from European or American interference. In other words, she wants a free hand in the exploitation of China. This wanton perversion of one of the most cherished principles of American diplomacy could never have been possibly dreamed of by President Monroe.

"Manchukuo" is a product of Japanese violence and chicanery. With the exception of Japan, not a single country in the world has recognized this illegitimate child. In bringing up the question of the recognition of "Manchukuo" at the Pan-Asiatic Conference the Japanese delegates undoubtedly intended to show that their puppet has attained to manhood and deserves consideration as a full-fledged state; but the facts of the case are against this. Indeed, if there is still any sense of justice left in this world, the efforts of the Japanese in this direction are bound to fail.

The Japanese organizers of the Third Pan-Asiatic Conference may have labored under the impression that those Chinese who are under the in influence of the teachings of the late Dr. Sun Yat-sen would take kindly to the idea of a Pan-Asiatic League as Dr Sun Yat-sen, the founder of the Kuomintang, more than once urged the necessity of the various Asiatic peoples getting together to present a common front against the Western Powers. But in this expectation they are bound to be disappointed, for what Dr. Sun advocated was the union of all the weak and oppressed races of the world in their struggle against the strong states, while Japan stands for the exploitation of the weak by herself. This fact must be clearly recognized. Fortunately, the Chinese people have long seen through the designs of Japan on this country and no self-respecting Chinese would associate himself with such an organization as the Pan-Asiatic League.

In conclusion, we would urge our countrymen to be on constant guard against the activities of the Japanese, for one false step on our part will lead to very serious consequences for our country.

Overseas Chinese Hard Hit by World Depression

Overseas Chinese in the South Sea Islands and countries along the southern coasts are in a sad plight, according to Wu Shih-hsiung, noted Chinese educator, who arrived back in Shanghai on board the Dollar liner *President Lincoln* several days ago, following an eight-month tout of investigation through the South Sea Islands. Chinese resident and merchants in those parts, Mr. Wu said, are not only suffering from an unprecedented depression in business but also from the heavy taxation imposed by the local governments. Among taxes imposed on Chinese nationals, every overseas Chinese is required upon entry into the port of any of the South Sea Island countries to pay a so-called personal import tax, ranging from $5 to $140.

$100,000,000 Damages Being Asked of Cuba

The governments of Great Britain, France, China, Spain and the United States have presented the Cuban government with claims for damage and losses incurred to their nationals by the Cuban revolution, amounting to $100,000,000. According to the estimate of the Havana government these losses do not exceed $10,000,000. A claim was also presented by Japan, demanding compensation for death of her nationals killed during the troubles in the island.

China May Increase Import Duty on Rayon

An increase in the duty on rayon is among the proposals submitted by the committee for the improvement of the silk industry, which held its inaugural meeting at the headquarters of the National Economic Council in Nanking Feb. 19. Other suggested measures include a reduction in freight charges for the transport of raw silk and the introduction of scientific means of sericulture. Thirty-two members of the committee were present at the meeting, which was presided over by Tseng Yang-pu.

Trying to Purge the Manchukuo Police from all "Impurities"

(From the Review's Harbin Correspondent)

THAT this journal is being carefully perused, and with the utmost interest, by the Japanese gendarmery or allied forces has long been known, which fact has again been proved by recent developments in the Manchukuo police of Harbin. No sooner had there appeared a report about the antecedents of a "Russian-German" I. F. Brockmiller, an ex-Soviet citizen, who held the responsible position of assistant chief of the Foreign Section of the Harbin police, than reverberations occurred, with the result that, after a brief and hurried investigation of his past history by his new "bosses," Mr. Brockmiller has been summarily ousted from office. Simultaneously with this measure, steps are being taken to thoroughly clean up the Russian part of the Manchukuo police of all "impurities" that have permeated it like fungi during these few years of transitory period,—which has been amply proved by the recent scandalous revelations in connection with the Kaspe murder. Mr. Yagi, chief at the Foreign Section, and therefore his immediate superior, has received a due measure of censure for his inappropriate trust in a man with such a questionable career as Brockmiller, so much so that Yagi has been also "relieved" of his post and transferred to the Chief Administrator's Office.

Mr. Brockmiller's case lays open a new, and rather unexpected, dilemma for the Japanese in Manchuria, namely, that side by side with a task of clearing out of the Manchukuo police all undesirable elements that have found a snug nest in it, they are confronted with a still greater task—the detection and elimination of secret Soviet agents that have made their way into the service in times past, believed to be one of the most loosely organized police forces in this part of the world,—which has been so amply proved by its history as not to allow any contradiction of this assertion. Take, for instance, the case of Mr. Volkoff, who, only a few years ago, was chief of the Criminal Investigation Department of the police, and, who, being still a servant of law, so allowed himself to be drawn into the affairs of the underworld that, in order to escape the inevitable incidental scandal, had to leave Manchuria and take up residence in one of the foreign concessions of China. The police staff, enlisted by Volkoff and his immediate successors, among whom is a notorious Martinoff, is still there, so that the task of shaking the Manchukuo police off all undesirable elements seems to be almost insurmountable, unless the authorities enlist an entirely new rank and file.

That the Soviets have had their own men in the central police station has been evident to every Harbiner, so much so that this statement does not surprise anyone here. To take only the passport department as an instance, every White Russian, who would come to take out his visa, has been amazed to observe with what rapidity the Soviet citizens, going out of town on official or private errands, are receiving their visas, whereas the ordinary mortals would have to wait for several days, sometimes weeks, until some of functionaries would deign to throw down the desired visa.

It has been always been my conviction that the natives of any occupied country are bad assistants of the occupants, and that the Japanese, in their attempt to put Manchukuo on the road to order and prosperity, will have, sooner or later, to dispense with the native officials, placing in their stead their own nationals in the guise of Manchukuo officials, or—still better—to annex the country outright. That the events are coming to this end has become apparent from latest shifts among the Manchukuo officials of this city, and, first of all, of the Manchukuo section of the C.E.R. The harbinger of this is the rumored resignation of Li Shao-ken, chairman of the Board of Directors of the C.E.R., who is said to be leaving his post entirely so as not to be placed anywhere else. The present Assistant General Manager of the railway, Chang Min-che, who, as Li Shao-keng, has always been the inside man of the Chang clan, is being also "relieved" of his post, and also with no prospects of occupying another one. It is rumored that his post will be filled by Mr. Dou, now manager of the Hulan-Hailung Railway, a new "find" in Manchukuo officialdom.

Who will be the successor to Li Shao-keng as chairman of the Board of Directors of the C.E.R., if his resignation comes to pass, is not known, one version being that Ting Chen-hsu, minister of communications (who, by the way, has no authority over the railways, which are being administered entirely by the S.M.R. from Mukden) will take his place, concurrently with his present post. It is rumored that the "government" is dissatisfied with the weak-kneed policy of Li Shao-keng, who did not solve any of the outstanding questions with the Soviets, namely, the question of "stolen" engines from the C.E.R. to Soviet territory, drastic reduction of the freight, replacing the gold ruble by the "gobi" (Manchukuo dollar), elevating the authority of the Manchurian Assistant General Manager of the railway, and a hundred and one other divers problems about which both the partners of the railway—the Manchukuo and the Soviet—do not see eye to eye. All the demands of the Manchukuo side, aided at times by actual violence of instigated crowds, have so far been broken by unflinching determnation from the Soviet side.

A curious sidelight to this represents the *Harbin Times*, a Japanese newspaper in the Russian language, which paper has for these two years been continuously bragging that the Soviets will be compelled to surrender all their positions on the C.E.R., promising all sorts of blessings to its destitute and impatient readers, but, as time goes on, all this has proved to be empty verbiage, worth nothing. Incidentally, it should be reported that the paper is run entirely by White Russians, amongst whom is B.P. Shiloff, its managing editor, who one time was the editor of the *Zaria*, Harbin, under the late Mr. Lembich. A few years ago, being then actively connected with Mr. Lembich, he took a prominent part in the running of such quasi-liberal papers as the *Nasha Zaria* in Tientsin and the *Shanghai Zaria* in Shanghai.

A political career seems to be the aim of journalists of Mr. Shiloff's type. At any rate, Mr. Shiloff has embarked upon activities having nothing common with journalistic pursuits. Directed apparently by his Japanese "masters," he, a few days ago, headed a "monster" demonstration of all White Russian organizations against the Soviet administration of the C.E.R., aimed at the forcible reduction of the railway freights, adoption of the "gobi" currency, and other familiar demands of the Manchukuo side. Though much advertised as a success, the demonstration, as a business proposition, has turned out a complete failure—it did not help in the realization of the Manchukuo schemes regarding the railway.

Harbin, February 16, 1934.

Dr. Zwemer Sees China Ruled by Christians

The majority of the men who govern China are Christians, the Rev. Dr. Samuel M. Zwemer, professor in Princeton Theological Seminary, said in an address at the fifty-eighth anniversary celebration of the Women's Board of Foreign Missions of the Reformed Church of America held in the Marble Collegiate Reformed Church, Fifth Avenue and Twenty-ninth Street, New York, Jan. 22. Dr. Zwemer had recently returned to the United States from China.

"Sun Yat-sen, the prophet of Modern China, whose tomb dominates the plain of Nanking, was a Christian," Dr. Zwemer said. "He married Miss Soong, daughter of a Protestant pastor. Her sister is the wife of General Chiang Kai-shek, who has become an official convert to Christianity. Her brother is Minister of Finance. Another sister married the Minister of Industry, at one time an evangelist. This enumeration might be continued. Official China is Christian by faith, and Christian women are leading the nation."

Dr. Zwemer declared that the recent Laymen's Foreign Mission Inquiry Report, "Rethinking Missions," did not meet with a sympathetic reception by the missionaries in China.

Asia Realty Shows Loss for Year 1933

The annual meeting of shareholders of the Asia Realty Company, an American corporation, was held at the offices of the company in Shanghai Feb. 16. F. J. Raven, chairman of the board and president of the company, presided. The profit and loss account shows a loss of $28,017 for the year. The board of directors voted unanimously to omit the dividend on common stocks for the year 1933.

The following were reelected directors of the company for the ensuing year: Messrs. F. J. Raven, C. M. Bain, C. H. French, E. Sigaut, Singloh Hsu, C. V. Starr, and M. P. Walker, while Thompson and Company were re-elected auditors. It will be noted that the list does not include T. C. Britton, a former director, who retired from the Company a little over a month ago.

Signing of Japan-Indian Trade Treaty Is Delayed

The Japaneses Foreign Office is stated to be annoyed at the delay in the signing of the new Indo-Japanese trade treaty. It is more than a month since the Drafting Committee was appointed, yet there is still no knowing when the final settlement will be reached. The delay has been referred to in the Diet several times. It is pleaded by the Foreign Office authorities that the Indian Government is responsible. To begin with, at the Drafting Committee meeting, the Indian delegates proposed including a clause that any dispute arising from the interpretation of the agreement should be referred to the Court of Arbitration. The Indian Government is stated to be attempting to increase the duties on sundry and textile articles, thereby providing another obstacle to a settlement.

Heated Disagreement at Anglo-Japanese Trade Talks

The Anglo-Japanese Commercial Conference in London has stumbled into heated disagreement. The trouble arises from the British memorandum outlining a proposed agenda for the conference which meets with the disapproval of the Japanese delegation. Britain wishes to include all the United Kingdom, including her colonies, self-governing territories, mandates, and Latin America and Europe in the discussions whereas Japan insists upon confining the discussions to the British Isles only.

Shigezo Okano, head of the Daishin Yoko, leading Japanese trade concern in the Dutch East Indies, who is visiting Japan, in a recent interview said that although Japan leads all the Dutch East Indies, representing one-third the total, or more than twice as much as any other nation, including Holland, Japan's commercial influence there will not bear heavily on the forthcoming Japanese-Dutch Trade Conference and will not present the numerous difficulties encountered at the Indo-Japanese parley recently. He added that the native demand in the Dutch East Indies is for Japanese goods because they are suitable to the native taste and they are cheap, and the phenomenal increase in Japanese imports there from about 20 per cent in 1932 to slightly over 33 per cent at the end of last year, valued at $150-000,000, is a natural rise that has come from a voluntary demand on the part of the population.

The Netherlands India textile import act became effective Feb. 14, based on imports preceding 1930. Operating by three-month periods, it forbids imports of sarongs and kains (local names for cloth in common use) in excess of the allowable quantity for each fixed period. Import licenses will be granted only to firms which imported sarongs and kains prior to 1930.

Predictions that Dutch-Japanese trade will be reduced by 70 per cent through the enforcement of Holland's new import restriction act are being advanced by the Japanese Foreign Office.

A examination recently made of the cotton exports to the British Crown Colonies reveals huge Japanese advances in many directions, and particularly in West Africa, which is Lancashire's most important export market. Lancashire exports declined last year from 159,000,000 yd. to 102,000,000 yd. In Ceylon, Lancashire exports declined from 32,100,000 yd. in 1927 to 15,800,000 yd. in 1932, while the Japanese figures increased from 6,100,000 to 40,400,000 yd. The Japanese trade in Kenya and Uganda rose between 1928 and 1932 from 14,600,000 to 30,000,000 yd. in contrast with the Lancashire trade, which fell from 9,500,000 to 5,700,000 yd. During the same period, imports of Japanese cotton into Tanganyika rose from 9,200,000 to 21,900,000 yd., while Lancashire imports were reduced to half, at 4,600,000 yd.

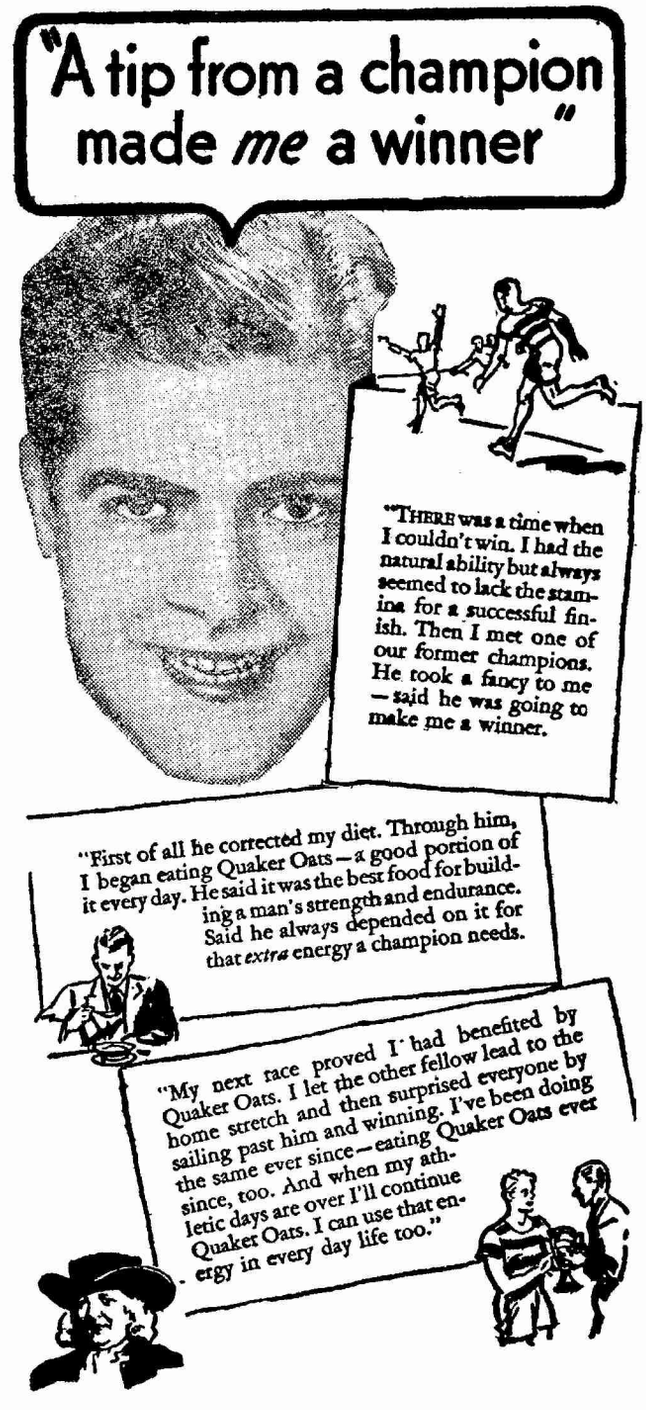
Lancashire also suffered heavily in Hongkong last year, its exports to that centre falling from 52,866,800 to 18,618,300 yd.

Nanking Teams Solicit Funds for Farm Rehabilitation

Wang Ching-wei, president of the Executive Yuan, and Gen. Chiang Kai-shek, are energetically backing a nationwide campaign initiated by of the China International Famine Relief Commission to raise $1,000,000 for farm rehabilitation. Nanking's quota is $50,000. Eight teams have been organized in the capital to make city-wide solicitations.

British Said Be Engaged in Illegal Mining Operations in Yunnan

In an urgent report to the Central authorities, General Yun Lung, chairman of the Yunnan Provincial Government, reports that a party of British subjects are illegally engaged in mining operations on the Yunnan border, and have persistently ignored the orders of the provincial authorities prohibiting such operation. The Central authorities have instructed the Ministry of Foreign Affairs to make strong representations to the British Legation.


"A tip from a champion made *me* a winner"
"THERE was a time when I couldn't win. I had the natural ability but always seemed to lack the stamina for a successful finish. Then I met one of our former champions. He took a fancy to me—said he was going to make me a winner.
"First of all he corrected my diet. Through him, I began eating Quaker Oats—a good portion of it every day. He said it was the best food for building a man's strength and endurance. Said he always depended on it for that *extra* energy a champion needs.
"My next race proved I had benefited by Quaker Oats. I let the other fellow lead to the home stretch and then surprised everyone by sailing past him and winning. I've been doing the same ever since—eating Quaker Oats ever since, too. And when my athletic days are over I'll continue Quaker Oats. I can use that energy in every day life too."
Children and adults in every walk of life thrive on Quaker Oats. It has every element necessary for health. Gives extra strength, vigour and vitality. It's delicious, too—you'll like its tempting flavour. Serve Quaker Oats every day—cooks in 2½ minutes.
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A Woman's Outlook on Social Problems

BY R. F. WEI (魏羅蕊)

MANY things have happened since it was pointed out in *The Review* (December 23, "Do We Want More Political Troubles?") that the authorities should concern themselves with the problems of livelihood of a vast part of China's population. The fourth plenary session of the C.E.C. recommended measures towards a betterment of the people's livelihood, but there is nowhere any sign that such measures are to be really and whole-heartedly undertaken. The only reaction I get from some diplomatic friends is that the opinion expressed was "a woman's view, after all, neglecting the wider angle of political issues." Maybe, my point of view was misunderstood, then. Nobody will ever say that by merely improving social conditions the safety and the equilibrium of the state can be fully ensured. There are many other questions to be handled, besides, without even touching foreign affairs.

But nobody can deny that a strong government is strong only for the simple reason that the people support it willingly, seeing their conditions have been bettered by that same government. At this moment China needs a strong, unified nation more than ever. How is it possible to regard the wider angle of political issues, while the majority of the people—the basis of a political stronghold—remain on an indescribably low standard of life, without education, in a state of illiteracy, whence they cannot be raised to political consciousness or understanding. It is true, there are some beginnings of improvement. There are schools established (but unfortunately some are closed, too), there are experiments made in Tinghsien, Wusih—but this is a small drop of water in the vast ocean. How should the thing be done?

Social Problems Should Be Attacked First

A woman sees things, and takes them in, from a closer point of view. That is perfectly true, and no woman could truthfully deny it. But if it comes to settle conditions of the state—is it not better to have a more narrow point of view and get things stated than to consider the whole entanglement of problems without being able to handle them all? Therefore women must say it over and over again that social conditions should be attacked as the first problem facing consolidation of the nation. If the people are better off, they are in a position to stand strongly and firmly behind the government so that this government is more fit to face all other problems. Instead of trying in vain to suppress the dissatisfied it might be more advisable to turn those people into satisfied, because better-off, partisans. That the way towards such an aim is long and hard follows a commonplace truth, but one ought to try to march that way.

To start doing things from a woman's point of view would mean to have the way for the constitution right now even if the constitution itself will be established only in 1935. And as there are some important passages in the improvement of the people's livelihood it is even necessary to prepare regulations towards that aim.

As one of the foremost the government should enforce a law against contract and child labor irrespective of the financial or political influence of the proprietors and contractors concerned.

The wealth of a nation is its young generation. Can China afford to have strong youths only among a minority of the upper classes, while the rest is condemned to a state very much like slavery?

They have only very little in common with proper human beings, those children, men and women working in many a factory of Shanghai. Those who have never seen such a sight of misery, danger, ill-health, and inhuman conditions will not be able to imagine what a "life" these so-called workers have. And those among us who think that there is no betterment necessary should just trouble to visit one or two cottonmills, shoe-factories, galvanizing shops, or whatever enterprise it may be, in the Yangtzepoo district.

To avoid some more misunderstandings I want to say once more: nobody can expect to better things with one blow. But if the first step is never taken, no improvement is likely to ensue. Therefore it will not suffice to enforce a law forbidding the shameful work of contractors sweating poor, ignorant victims; or a law advising factory-owners to pay reasonable wages directly to their workers without the intermediary of a contractor. There must also be continuous control that these laws are obeyed. There must be people going out to the villages telling the people a true story of what there is in store for them once they are hired, or better say bought, by the contractor.

They will speak of the work in a badly roofed shed, at a furnace, at the spinning wheel, at the electric switch-board, at dangerous boilers where easily a hand or a foot can be smashed. They will speak of the food that is hardly worth the name but for which contractors take off a considerable sum of the worker's low pay. They will speak of the "housing": after 12 hours' work small boys of 10-13 years wrap themselves in miserable rags and lie down in the sand and dust of their working place. Or the girls and women in textile "factories" have to sleep on benches and racks above the dusty, filthy working room where the never removed particles of silk and wool endanger their health.

They will speak of the inhuman expression in the children's smoke-black, never washed faces; of the dull, expressionless looks of the workers treading a loom's wheel; of 600 women sitting together in a hall making shoes and paying a fine of 60 cents for a small mistake, while their daily pay is only 40 cents.

Inhuman Exploitation

They will speak of inflamed eyes, skin diseases, without medical treatment, of starving and freezing while contractors pocket the money from factory-owners, leaving the workers in eternal misery and debt. If people hear these stories, they will surely not fall into the trap of slave-hunting contractors any more, and will thus abolish the contracting system themselves.

But meanwhile the law has to be enforced forbidding child and contract labor. Many factories are closed down, so the number still working is relatively more easily inspected.

One more thing is essential and indispensable: inspectors must be sent out to different factories, mills, etc. to investigate safety conditions (as the S.M.C. has done for some while past already).

In most cases these inspectors will find that no safety at all is provided. They will have to see that no factory using boilers, heavy engines and the like is established in small houses where every step in the steep staircase is a danger, where doors are locked so as to avoid wasting time of the workers for breathing freely a few minutes. They will have to force people to employ workers in a human way instead of making life worse than hell.

The issue of this task will certainly not solve all the difficulties of China, but it will contribute a good deal towards strengthening and unifying the nation. Thus the abolition of the present labor conditions are the stepping stones, the first necessity towards the consolidation of China.

This is the opinion of a woman who has seen these unbelievable conditions of human beings and has thought it impossible not to cry out loudly for a change. This is a woman's view on practical methods attacking the problem from one side so that later on all the other difficulties of the nation may be dealt with accordingly.

Women have achieved quite a few things in our days. May their view of handling matters of political importance not be heard, tried and—maybe—even approved of, I wonder?

Shanghai, Febuary 21, 1934.

Dr. W. W. Yen Urges Closer Trade Relations with Soviets

Dr. W. W. Yen, Chinese ambassador to Moscow, at a dinner party given in his honor by the Returned Students' Association in Peiping Feb. 20 urged the dispatch of a group of Chinese experts to Soviet Russia for the investigation of industry and trade, pointing out that the American Embassy in the Soviet Union now consists of more than 80 staff members who, he said, are solely engaged in promoting commerce with the Soviet Government. Dr. Yen hoped that the Chinese tea merchants would send an expert delegation to trade with the Russians.

Tramway Shareholders in London Oppose Plan to Move Head Office to Shanghai

A committee of shareholders of the Shanghai Electric Construction Co., Ltd., which operates the Shanghai tramway system, has circularized shareholders in London asking them to request their proxies to oppose the resolution to transfer the control and management of the company from London to Shanghai. A meeting of the company has been called for March 14, when resolutions are to be considered for the distribution of a capital bonus and for the adoption of new articles.

Pu Yi to Become Emperor of Manchukuo March 1

The preparations for the enthronement ceremony which will put Henry Pu Yi on the throne at Changchun March 1 are making progress daily. A rehearsal of the proceedings will take place Feb. 27. These will be witnessed by press representatives, who will also be shown over the site of the ceremonies on the following day. An informal dinner will probably be given to the foreign press representatives on the evening of March 1 by the Department of Foreign Affairs.

The enthronment ceremonies will comprise four separate functions, the first of which will be an outdoor offertory. This takes place at a circular altar, 4ft 5in. high and 47ft. in diameter, temporarily erected in an open common. This ceremony is expected to last about fifteen minutes. It will begin at 8 a.m. on March 1. Certain seats will be reserved for the press just outside of a small railing around the platform, which will, however, be covered by a large tent. The coronation proper is expected to take place in the offices of the Chief Executive at noon on the same day. This will occupy about twenty minutes. Owing to lack of space, press representatives will not be invited to attend this function, but they will be admitted, with other officials, to the garden of the office. The first official dinner is to take place on March 2 and the second official dinner on the following day.

Pu Yi's Uniform Completed

The generalissimo's uniform to be worn by Pu Yi on the day of his enthronement as emperor has now been completed by the Mukden Clothing Depot. The uniform is of regal splendor, being of sky blue color with silk satin lining. The sleeves are embroidered with the kaoliang emblem of Manchukuo and the coat resplendent with three large and three small gold stripes and buttons. The collar is decorated with patterns of the dragon imperial crest of the Old Manchu Dynasty. The epaulets consist of gold braids with imperial crest and the silver stars crested with orchids on each shoulder. The trousers will have two gold stripes running down on each side.

Milton J. Helmick Appointed Successor to Milton D. Purdy

President Roosevelt Feb. 20 announced the appointment of Milton J. Helmick of Albuquerque, New Mexico, as Judge of the United States Court for China, in succession to Milton D. Purdy. The new appointee is at present a District Judge for the State of New Mexico, was born in 1885, and began the practice of law in 1911. He is an independent Democrat.

Judge Purdy's retirement will come on Feb. 25, after completing the full term of ten years, which is the length of time for which Judges of the U. S. Court for China are appointed. The retiring jurist maintained the most friendly relations with the entire American bar and his decisions have been fine examples of judicial acumen. Practically the entire American community in Shanghai joined in the move to have him reappointed, but political considerations in the United States have been apparently too strong to overcome.

Judge Purdy he was born in Mogadore, Ohio, on November 3 1866. He was educated at the University of Minnesota, receiving his A. B. in 1891 and an LL. B. in 1892, being admitted to the bar in the latter year. From 1893 he served as assistant city attorney in Minneapolis, of which city he now considers himself a citizen. He was assistant county attorney of Hennepin County in 1897-8, assistant U.S. Attorney from 1898 to 1901, U.S. Attorney in 1901-2, assistant Attorney-General of the United States from April 1, 1903, to July 27, 1905, assistant to the Attorney-General from July 28, 1905 to July 9, 1908, U.S. district judge in the District of Minnesota in 1908 and till resignation in 1909, special assistant to the Attorney General of the United States from 1922 to 1924, in which year he was appointed to China.

Judge Purdy was married to Miss Belle M. Morin of Albert Lea, Minnesota, on January 28, 1893. She died in Shanghai about a year ago at the same time that the judge himself was stricken with cholera. Their only child, Florence, is Mrs. W. R. Johnson, wife of the managing director of the Tobacco Products Corporation (China).

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Why a "Permanent" Constitution for China Now?

BY HILLIS LORY*

THE politicians and intelligentsia of China have again become constitutionally minded. A meeting of the First National People's Congress is proposed for March of next year (1935) whereby the new "permanent" constitution of China will be accepted and formally promulgated. In the meantime the constitution is being drafted under the supervision of the Legislative Yuan with Sun Fo as chairman.

Not in a spirit of ridicule or carping criticism but with a sincerely constructive intent, I would like to ask: What purpose will the so-called permanent constitution serve? Is China ready for such a constitution? If it is not ready, would it not be better to continue with a provisional constitution instead of creating another, only to have it still-born? One Chinese commentator, in his enthusiasm, speaks of the proposed constitution as "practical and flexible as it is panoramic in scope. It surpasses the Weimar text in breath and treatment and compares well with the fundamental law of the U.S." To mention a few of the more important provisions, the draft is redundant with elementary maxims of a political, economic and ethical nature, made necessary by the "political inexperience of the people." It advocates a series of reforms based on the most approved social, political and legal practices of modern countries. Attendance at public elementary schools is required of all children. No province is permitted to establish a military school or arsenal. All provincial troops are to be abolished. A "rule of law" is to be established. Above all, China is to be a true democracy governed in accordance with the *San Min* principles—a government of the people, by the people and for the people." Do the drafters of the permanent constitution hope by its very pretentiousness to perform a miracle and change the very conditions in China which must necessarily make the major part of such a document a dead letter from the moment of its promulgation? Do they hope that by merely advocating a series of economic, social or legal reforms, it is a *fait accompli*?

Then they should look to the past record of the Legislative Yuan, for instance. China today has on her statute books more modern labor legislation than any other country in the world, but it has availed her nothing. Chiang Kai-shek, recognizing this weakness in China's leaders, says, "If we take stock of what we have done in recent years, we cannot but admit that there is some truth in the general criticism that we only know how to talk but not how to act; how to draft paper schemes but not how to carry them out." A stream of reforms listed in a constitution is valueless when there is so little possibility of their fulfillment. If a *San Min* constitution must include proposed reforms let the leaders of China apply themselves to the task of accomplishing those listed in the present provisional constitution and thus prove their ability to bring into existence a less elaborate program.

The proposed constitution also stipulates that all children attend public elementary schools. But what village or city, district or province has a sufficient number of modern schools for all the children to attend—or even half of them? Serious attention to the needs of modern education, encouragement, and proportional financial aid to meet the great needs of educating the people has been crowded out in an effort to quiet the strident demands of the counter-revolutionaries. Education of the masses, which is the only foundation for a democracy, has received scant attention, while the leaders of the National Government have poured money and energy into the insatiable maw of militarism. Yet the drafters of the new constitution write that "all children" must attend the public schools. In a little over a year they must either expect thousands of schools to miraculously spring up over night or else the words are a futile gesture.

Apparently with no less faith they decree that all provincial troops are to be abolished. So by a stroke of a pen the constitution purposes to accomplish what the National Government has labored fruitlessly for years to bring about.

Their hope of establishing a constitutional era by merely promulgating a "permanent" constitution is equally futile. The masses of the people have not been educated to play their role in a constitutional government. Sun himself did not wish to inaugurate this era until "all districts within any province shall become fully self governing." A district was to be deemed fit for self-government when a census had been taken, "the land therein surveyed, an efficient police force organized, the people trained in the exercise of their political rights and accustomed to the performance of their civic duties according to the principles of the Revolution, and when officers shall have been elected to serve as district magistrates and councillors." The most casual student of Chinese affairs is cognizant of how far from realization is this program even in territory now directly under the jurisdiction of the National Government. The leaders of Kuomintang and the government have not been sufficiently moved by their resonpsibilities in the political training of the masses during this period of political tutelage. Other provisions of the Late Leader's plans have been disregarded. The State Council and five *Yuan*, whose organizations according to Dr. Sun were to be completed at the beginning of the Constitutional era, were inaugurated instead at the beginning of the period of political tutelage. The spirit as well as the fact has been violated. Sun Yat-sen visioned the Five Power Constitution as a system of checks and balances. Through a duplication of personnel in overlapping committees of the government, it has been in the practical control of a few strong party leaders. Moreover, emphasis has been placed on the national government, while Dr. Sun wished it to be on the *hsien* or district so that a firm base might be laid for the constitutional period.

"Miserable Failure" Envisaged

With the mistaken emphasis in the past, there is no hope that China in shortly over a year will be ready for a constitutional democracy. Sun Fo, speaking of the futility of establishing such a government following the "period of military operations" says it would have proven a miserable failure. But have the accomplishments of the party and government leaders during this period of political tutelage been such as to justify a belief that the people by next spring 1935 will be sufficiently trained in *San Min* principles, in the execution of a reconstruction program and in the exercise of their political rights to make other than a "miserable failure" of any constitutional period inaugurated in the near future? Wang Ching-wei, who has more of a firm grasp on realities writes: "The utlimate aim of party rule is the development of a democratic form of government. For this reason, what we want is genuine and not false Constitutional Government. For this reason, too, there is need for political education. We must redouble our efforts so as to complete our work for the preiod of educative government in order that we may usher in an era of genuine Constitutionalism." Even with "redoubled efforts," it is utterly impossible for the Kuomintang to accomplish in a little over a year what it has failed to bring about during the past six years of its tutelage.

A "permanent" constitution if promulgated next year must consequently usher in only a period of "false Constitutional Government" with the power concentrated not in the hands of the people but remaining in the grasp of those now in control at Nanking. It offers no hope for those discontented groups who somehow expect the adoption of such a constitution to automotically oust all of those politicians they now berate. Is there any reason to believe that by mere acceptance of the "permanent" constitution, all the Kuomintang leaders with their years of valuable governmental experience will suddenly resign *en bloc* and retire to some mountain fastness? Is a new group of absolutely honest and highly efficient officers to spring out of the blue and take command of the government during the constitutional period? As a matter of fact those in control of the National Government during the past years have, on the whole, given the country as able an administration as we have reason to believe would be provided by any of the opposing groups. No one can deny either the tremendous problems of the present government or the weakness it so frequently reveals. However if the malcontents would co-operate instead of criticize, China would be farther on the road to democracy. Above all it must be recognized that a "constitutional period" inaugurated next year will be only a farce. The ignorance and the political lethargy of the Chinese masses will prevent them from exercising their constitutional rights for years to come. While much can be done through education, the power of the government will doubtless remain for

*The author taught at the Hokkaido Imperial University, Sapporo (Japan) 1926-29. He is at present a member of the Political Science Faculty at Stanford University (California).

some time in the hands of the Kuomintang leaders prominent in Nanking today.

And if the new constitution cannot be carried out in the letter and spirit, and obviously it can't, why promulgate it at all? The provisional constitution and the duties of the government in the training of the people for participation in a true constitutional period offers a program sufficiently embracing and constructive to require the best efforts of the present Government for years. Promulgating constitutions has been a favorite indoor sport too frequently in the history of the Chinese Republic. The one now proposed is the twelfth in twenty-three years. China wants the respect of other nations. It will be more readily given if the less ambitious program embodied in the present provisional consituation is completed before embarking upon a pretentious constitutional period. Sincere and effective efforts on the part of the Kuomintang leaders and the National Government to equip the masses for an active and intelligent leadership during a genuine constitutional era will win the ready sympathy, co-operation and admiration of the World Powers.

U. S. Commerce Report Shatters Manchurian Trade Dream

Claims that the foreign trade of Manchuria, particularly non-Japanese trade, has increased considerably as a result of the changes in administration are misleading, declares a special circular issued by the Division of Regional Information of the Bureau of Foreign and Domestic Commerce of the Department of Commerce of the United States Government.

Although the statistics show that foreign business coming into Manchuria during 1933 was millions of dollars ahead of 1932, and that American imports for the first six months of the year were 16,000,000 yen as compared with 8,000,000 yen for the whole of 1932, certain decisive collateral factors affecting the trade were not taken into consideration, it is pointed out.

Among the facts is a point that in the previous years more than 50 per cent of Manchuria's imports of American goods entered through Shanghai and were credited to that port as the place of origin, whereas now the shipments are being made direct and are being credited to the real country of origin.

Decrease in the value of the yen is in considerable measure responsible for the increased value of exports, since local transactions in the principal commodities are made in the silver currency, the value of which has risen in an amount about equivalent to the increase in the valuation of exports.

In compiling the survey, statistics released by the Government of the Kwantung Leased Territory and the Manchuria Customs were used. The former placed the value of exports of Dairen for the period January-June, 1933, at 187,645,582 yen as compared with 161,393,277 yen for the corresponding period of 1932. The latter values the exports at Manchurian $235,358,586, the figure including exports through ports, other than Dairen. The statistics show an increase of approximately 26,000,000 yen in the value of exports for the first six months of the year as compared with the corresponding period of 1932.

The bright picture shown by the figures, however, does not give the real situation as the decrease in value of yen is considerably responsible for the increased value of exports. The surveyors, furthermore reported a marked decline in exports of soya beans and products since June and the total exports of 1933 should show a decrease as compared with 305,067,978 yen for 1932, despite the lower exchange value of the Japanese currency.

Japan Major Outlet

Japan is the major outlet of Manchurian exports, taking 50 per cent of the total in the form of soya beans and cake, coal and iron. Germany took about about 20 per cent, China 10 per cent and England 10 per cent. Exports from Manchuria to the United States during the first half of the year were valued at less than 3,000,000 yen.

Third Batch of Japanese Settlers to Be Sent to North Manchuria

The authorities of the Japanese Ministry of Overseas Affairs are planning to send the third group of 500 men to Manchuria in May or June, this year. The experts at the Ministry express confidence that after two years of experience in assisting the colonists Japanese can endure any amount of hardship under inclement weather conditions. According to the present plan, about 70 per cent of men will be civilians, mostly farmers, and the rest will be ex-service men. The first and the second colonies are comprised of 500 ex-service men each. The first reservist colony is situated at Chiamussu, a town with a population of 30,000 on the bank of the River Sungari, about 325 miles from Harbin, and the second group at Chifuli, not far from Chiamussu.

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All applications and inquiries should be addressed to the Director at 1954 Avenue Haig, Shanghai.

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All-China Communist Congress Assembles in Kiangsi

(*From the Review's Correspondent at Hankow*)

The Generalissimo, Chiang Kai-shek, chairman of the Military Affairs Commission, flew from Hangchow to Nanchang, headquarters of the anti-Red campaign in Kiangsi, Feb. 9. And little wonder. The communists of all China have been called to send delegates to a Congress to be held in Juichin, southern Kiangsi, from Feb. 18 to 27. From Szechuen comes word that some of the Communist leaders have secretly left the province, among them the famous Red leader, Chang Kuo-tao. What will be the outcome of the Red Congress it is impossible to foresee at this early date. However, the chairman of the Military Affairs of China is not allowing moss to grow under his boots. Having quelled the Fukien rebellion, he is eager to tackle the next problem before him.

With the return of the Generalissimo, Chiang Kai-shek, the campagin against the Reds has begun again. Fierce fighting is reported from Shahsien, central Fukien. The Kan river is being closely guarded in order to prevent the Reds in eastern Kiangsi from getting in touch with those in the western part of the province. In western Kiangsi the government forces with the cooperation of bombing planes are attacking the fleeing troops of the Red commanders Kung Ho-chung and Hsiao Ko, in the Siushiu, Tungku, Ifeng, and Fengsin areas. The assault on Anlu by the Reds was repulsed by General Liu Chien-shu. The Reds fled to Yungsin where they joined the Reds at Lienhwa and Chaling, on the Kiangsi-Hunan border.

Marshal Chang Hsueh-liang's Troops to Guard General Chiang Kai-shek's North-west Flank

With the defeat of the 19th Route Army comes the news of the transfer of the 60th and the 78th divisions to Honan province, and that they have already arrived in eastern Honan. Moreover, the 49th and 61st divisions of the erstwhile famous army are soon to follow. The appointment of Marshal Chang Hsueh-liang to the post of Vice-Commander-in-Chief of the Bandit Suppression Forces of Honan, Hupeh, and Anhu seems to have been made with the end in view of having his troops transferred south from Hopei. There is a rumor abroad that the young Marshal will remove the Headquarters to Sinhsiang, northern Honan, bordering on Hopei. Apparently there is some reason for the delay of his departure. It may be that the two rebels, General Sun Tien-ying and General Liu Kui-tang have something up their sleeve. They are not so far apart now and with the coming of spring many things may happen. The Reds in northeastern Szechuan and southern Shensi are not so far away, either. What should hinder these desperate rebels in joining up with the Reds, if they thereby might further embarrass the government and enhance their own prestige?

No doubt Marshal Chang will have the responsibility of protecting General Chiang Kai-shek from being attacked from the northwest, while he is busily engaged in maintaining law and order in the Yangtze Valley.

Liu Kui-tang, Rebel General, Menaces Loyang

Loyang in western Honan, one of the co-capitals of recent years, is being threatened by the roving troops of the rebel general, Liu Kui-tang, whose army is estimated at 50,000. Ever since the fighting against Japan in north China was called off, General Liu has been aching for some new domain. Not succeeding very well in his endeavor to penetrate the well-guarded province of Shantung, where General Han Fu-chu maintains law and order, he turned to the west. Crossing the Peking-Hankow railway the swift-riding cavalry of Liu Kui-tang have had no difficulty in keeping their distance from any government troops sent against them with a view to capture or disperse the rebels. In their wake is looting and burning and the common people suffer untold misery and hardship. At present the government troops stationed at Loyang have encountered General Liu's forces as they cross the Yellow River and are reported to have driven them in a westerly direction form Loyang. Several of the missionary families have evacuated the city of Loyang, and at present are in Chengchow, the junction of the Lung-Hai and the Peking-Hankow railways.

Hankow Welcomes the Young Marshal

Hankow is making ready for the coming of Marshal Chang Hsueh-liang, who is to take over the responsibilities of Vice-Commander in Chief of the Bandit Suppression Forces in Honan, Hupeh, and Anhui. From reliable sources we learn that he will make his headquarters in the Chinese Bankers' Association building in the model district, Hankow. Besides this, several residences in the Lo Chia Shan district have been reserved for the young Marshal. General Ho Chen-chun, Hupeh Pacification Commissioner, in an interview with the *Central China News Agency*, declared that there is every prospect of Hankow being chosen as Marshal Chang's headquarters, and that the local military commanders all voice their approval of his coming to this center. Suitable preparations are being made to accord him a great ovation on arrival in port.

Reds in Szechuen Establish Headquarters

The Reds in Szechuen having been hard pressed by the government forces under General Liu Hsiang, are now concentrating their forces around Tungkiang and Pachung, in the northeastern part of the province. At the recent Communist conclave at Pachung, it was decided to mark out Tungkiang, Nankiang, and Pachung as a Soviet Administrative Center, with the Soviet Government established at Nanking.

Ho Lung Active Again in Home Province

Having tired of Hupeh province, the Red commander has crossed the border and entered Hunan province, and established himself not far from his old homestead. The hsien city of Yungsheng was almost captured, the Reds being only 90 li to the northwest. Tayung city was also threatened. Many missionaries in this area are on the verge of evacuating.

Twenty Ships Aground on Upper Yangtsze

With the Yangtsze river dropping to unusually low watermarks all the way from Wuhu to Ichang, scores of ships are being held up. Ships are encountering difficulty in passing down river, as the water level at Wuhu is reported at seven feet nine inches. On the upper river, twenty ships were aground due to the low water. Rear-Admiral Tseng I-ting, Commander of the 2nd Naval Squadron, dispatched a gunboat to protect ships between Ichang, Shasi, and Sinti.

Hankow-Shanghai Through Train Service

On Feb. 5 through train service between Shanghai and Hankow was formally inaugurated, following arrangements made by the Ministry of Railways and the four railways concerned, Nanking-Shanghai, Tientsin-Pukow, Lung-hai, and Peking-Hankow. The through trip from Shanghai, via Nanking, Hsuchow, Chengchow, to Hankow will take less than two days.

$200,000,00 Credit for Rural Cooperatives

A long step in the right direction was made recently, when the China International Famine Relief Commission got three banking corporations to sign an agreement extending credit to farmer cooperative societies up to $200,000 local currency. The banks signing the agreement are: Bank of China, Kincheng Banking Corporation, and the Shanghai Commercial and Savings Bank. Over 400 recognized societies in rural Hopei province, totaling 11,865 farmers have already benefitted by the activities of the Famine Relief Commission. The Commission has already loaned $350,000 in Hopei, and administered loans of more than $2,000,000 to farmers in Kiangsi, Anhui, and Honan without encountering appreciable default. The interest rate to agriculture is only 8 per cent. This should prove a boon to the hard-pressed farmers, especially in the spring when usurers ply their unholy trade to their own advantage.

Hankow, Feb. 19, 1934.

Chinese Press for Nine Seats on Municipal Council

A letter was addressed to the Shanghai Municipal Council during the week by the Chinese Ratepayers Association asking for an increase in Chinese representation—which at present stands at five members. The Chinese ask for a minimum increase of four members, bringing the Chinese representation up to nine, which is the present total of the foreign membership.

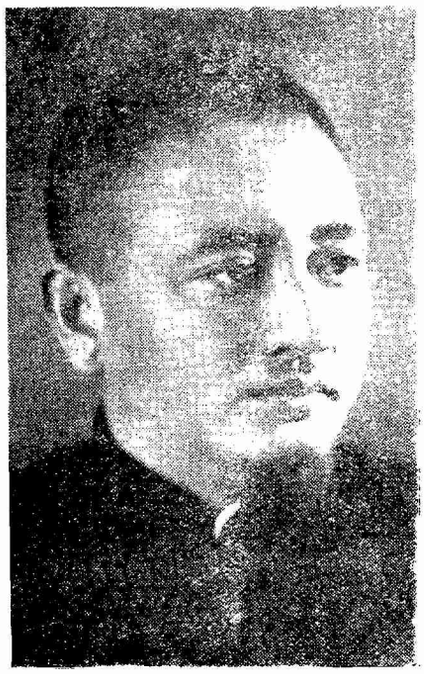
Officials of the Chinese Ratepayers' Association point out that even if the number of Chinese seats was increased to nine, this number would still be far less than that to which the Chinese are entitled according to tax payments. Three years ago, it was claimed, foreign residents paid 45 per cent of the total amount of taxes, while the remaining 55 per cent, was contributed by Chinese. Since then, according to statistics, the Chinese share of taxation has increased to 64 per cent., while the foreign share has decreased to approximately 36 per cent.

Chartered Bank Starts Civil Suit Against A. C. Mack

Civil proceedings have been started by the Chartered Bank of India, Australia and China against A. C. Mack in the British Supreme Court in Shanghai claiming $4,000, a portion of a sum of money alleged to have been obtained by fraud. An affidavit had been filed stating that Mack had deposited the money in the Hongkong and Shanghai Bank, the National City Bank of New York and possibly in some other banks in Shanghai.

In addition to the criminal proceedings against Mack in the British Police Court, proceedings are pending against E. V. Tamburine and his son (employees of Bush, Mack, & Co.) in the Italian Consular Court and against Francisco Baptista (former Chartered Bank employee) in the Portuguese Consular Court, in connection with the $136,688.25 Chartered Bank check fraud.

Who's Who in China



殷同字桐聲
Yin Tung

Yin Tung, Railway Official; born at Kiangyin, Kiangsu, 1889; graduate, High Military Commissariat College, Japan; chief staff officer to the First Division of the Army, 1913; associate director of the Chingho Wollen Factory of the Ministry of War, 1920; department chief, Ministry of War, 1921; works manager of the Luta Coal Mining Company, Shantung, 1923; chairman of the governing committee of the Salt Gabelle, Hupeh, 1928; advisor to the Peiping Political Affairs Readjustment Commission and concurrently commissioner for the Retrocession of the War Area in North China, 1933; managing director of Peiping-Liaoning Railway since 1933; address: Peiping-Liaoning Railway Administration, Tientsin, Hopei.

殷同字桐聲，現年四十五歲，江蘇江陰縣人，日本陸軍高等經理學畢業，民國二年任陸軍第一師參謀長，六年任參戰軍督辦署經理處第一課長，九年任陸軍部清河製呢廠會辦，十年任陸軍部科長，十二年任山東魯大煤礦公司礦業所長，十七年任灌鹽鄂岸公所主席委員，廿二年任行政院駐平政務整理委員會顧問兼華北戰區接收委員，現任北甯鐵路管理局局長，地址●天津北甯鐵路管理局。

Two New Gun-Boats Launched at Kaochangmiao

The seventh and eighth sister patrol-boats to be built at the Kiangnan Dock for the Ministry of Navy's National Coastguard Bureau were launched at Kaochangmiao Feb. 17, when about 100 Chinese naval officials headed by Admiral Chen Shao-kuan, Minister of Navy, and Vice-Admiral Wang Shoh-ting, commander of the destroyer flotilla, attended. The two new vessels are the *Tsung Ning* and the *Yi Ning*, each of which is 140 ft. long, 20 ft. wide and 10 ft. in depth. The launching ceremony was conducted Y. L. Liu and Y. Kwan, two cadets of the training ship *Tung Chi*.

Portuguese Murderer Sentenced to 20 Years Imprisonment

Patricio Remedios, the Shanghai "trunk murderer," has been sentenced by the Macao Court to twenty years' exile in the Island of Timor. Remedios was convicted of having killed a Cantonese girl, Mary Chun, his common-law wife, in a house in the Hongkew district of Shanghai. Her body was placed in a trunk and shipped aboard a Japan-bound vessel, the Japanese police discovering its gruesome contents on the arrival of the ship in Kobe. His brother, Eulalio Remedios, charged with complicity, was freed.

Dr. Hung Wen-hao in Serious Motorcar Accident

Dr. Hung Wen-hao, former Minister of Education, was seriously hurt in a motor car accident on the Nanking-Hangchow highway on Friday afternoon, Feb. 16. Dr. Hung left the capital on Friday morning, travelling in his car to Hangchow on the highway. At about 4 p.m., his car collided with a long distance omnibus about two miles from Wukang. Dr. Hung was injured in the head, and was picked up unconscious. He was taken to Hangchow for treatment. Dr. Hung is one of the foremost geologists in China; he has held the post of director of the Peking Geological Research Institute for a long period.

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Men and Events

Sir Alexander Cadogan, the new British Minister to China, is due to arrive in Shanghai Feb. 26.

M. L. Spilvanek, Sovet Consul-General in Shanghai, and his wife, proceeded to Peiping during the week.

Will Rogers says: "Japan hasn't got much humor. They say we don't recognize Manchukuo. We do recognize it, we recognize it as a part of Japan."

Gen. Von Seeckt, famous German military man, is shortly to visit China. There are rumors that he has been given a post as military advisor at Nanking.

The Dollar Line and other trans-Pacific steamship lines announce special summer excursion fares, the first class return fare to Seattle (as an example) being U. S. $397, and tourist return $222.

J. B. Powell, editor of the *China Weekly Review*, returned to Shanghai Feb. 20 from Japan, where he had been for several weeks to collect material for articles for the *Chicago Tribune*, for which he is special correspondent.

Carson Taylor, owner and publisher of the *Manila Bulletin*, one of the oldest American newspapers in the Far East, passed through Shanghai during the week on his way to the Philippines after a trip to the United States.

The first shipment of equipment for the China National Distillery Co., a concern operated jointly by the Ministry of Industries and Chinese merchants for the manufacture of alcohol, is due to arrive in China next month.

D. T. Yin, assistant manager of the Commercial Bank of China, has been promoted to the post of manager of the Nantao Branch of the Bank. Mr. Yin is a graduate of the University of Shanghai and a member of the Pan-Pacific Association.

The death occurred in London Feb. 20 of Dr. Hosea Ballou Morse, L.L.D. author of many books on China, including "International Relations of the Chinese Empire." Dr. Morse was born in Nova Scotia 78 years ago, but was a naturalized American citizen.

The death occorred in London Feb. 18 of S. F. Mayers, Chairman of the British and Chinese Corporation, and of the London Committee of the China Association. Mr. Mayers, who was one of the British delegates to the Banff Conference, paid a visit to China last autumn.

The seventieth birthday anniversary of Dr. F. L. Hawks Pott, president of St. John's University, is being celebrated under the auspices of the board of directors, the alumni council, the alumni association and the faculties and staff of the University in the social hall, Feb. 23.

Chow Chan-yuen, the Sun Sun Company's watchman who shot and killed Lee Man-joe, general manager of the large department store on February 1, was sentenced to life imprisonment by Judge Feng in the First Special District Court Feb. 9.

Miss "Butterfly" Wu, who was recently deposed as China's movie queen, during the Chinese New Year holidays received threatening letters sent by the "Bloody Group for the Extermination of Traitors" at Hangchow threatening drastic action should she sing her alluring pieces at such a time of national crisis.

The *China Forum* has suspended publication, not as a result of political pressure, which was at times brought against the journal because of its radical and pro-Communistic tenor, but because it has not been able to meet the expenses of production. Harold B. Isaacs, its editor, made this fact known in a recent statement.

Dr. Herman C. Liu, president of Shanghai College, who has been in America for several months, was scheduled to sail from Seattle on the *President McKinley* due to arrive in Shanghai March 6. While in the United States Dr. Liu lectured in more than 50 cities; more than 400,000 people attended meetings which he addressed.

The National Child Welfare Association of China is making an appeal for funds. Dr. H. H. Kung, Minister of Finance, is president of the Association and Dr. Anne Walter Fearn is chairman of the finance committee. The Association maintains the Child Welfare Home, with accommodations for 70 children. It is an experiment in child placing, that is, an agency for providing for childless homes and homeless children. A Nursery School is also maintained in Yangtszepoo.

William Philip Simms, foreign editor of the *Scripps-Howard* Newspapers Syndicate, arrived in Shanghai during the week on a tour of the world. From Shanghai Mr. Simms will later proceed to Europe by way of the Trans-Siberian Railway.

Two convicted kidnappers were given the death penalty, while four others were sentenced to prison terms by Judge Lin in the First Special District Court in Shanghai Feb. 19. The six gangsters were convicted of having kidnapped Tao Chang-hai, compradore of a local German firm, who was recently rescued by Settlement police in a raid on a house on North Honan Road.

On the occasion of the second anniversary of the truce in the Shanghai hostilities, on March 3, Shinto memorial rites for Japanese soldiers who fell in the incident, will take place at the Japanese shrine in Kiangwan Road near Hongkew park, at ten o'clock in the morning. The service will be attended by representatives of Japanese public organizations, school children and men of the Naval Landing Party.

A dinner was served at the Paramount ballroom Feb. 24 by the proprietors of the Shanghai Art Advertising and Publishing Co. on the occasion of its second anniversary. The offices of this company are 19 Yuenmingyuen road. The managing director in Mr. Yastreb, Russian artist of proved ability. The dinner was attended by many foreign and Chinese newspapermen and also by many prominent Chinese officials and businessmen.

Huge Preponderance of Chinese Over Malayans in Straits Settlements

The striking increase in the Chinese population in the Straits Settlements was shown by a report issued by the Colonial Office in London Feb. 19.

In 1881 the Chinese in the Straits numbered only 173,327, but in 1931 the figure had risen to 663,518. During the same period the Malayan population had only increased from 194,469 to 285,316. The British Colonial report remarks that it is questionable whether such a preponderance in any foreign race, which is largely unassimilable and retains its own customs and language, is in the true interests of the social and economic progress of the people.—(But how would you overcome it?—Ed. C.W.R.)

Washington's Birthday Ball Postponed

The American Community of Shanghai was to have celebrated Washington's Birthday Feb. 22 by giving a ball at the Paramount Ballroom, recently erected on the estate belonging to the Chinese Buddhist temple in the St. George District. The proceeds were to have been handed over to the American Community Chest.

Last minute changes were, however, made owing to the death of King Albert of Belgium, with the result that the ball has been postponed. The day will therefore be celebrated very quietly. The reception aboard the U.S.S. *Sacramento* was held as scheduled.

Adverse Balance in China's Trade in January

An unfavorable trade balance of Customs Gold Unit 21,764,468. or $46,960,727, was reported in China's foreign trade for the month of January. The exports for the first month of the year were valued at C.G.U. 12,877,738, or $24,235,903, while the imports during the same period amounted to C.G.U. 34,642,206 or $65,196,632, the statistics revealed.

The category of cotton, cotton yarn and cotton thread leads in the imports with a gross value of C.G.U. 4,531,614 or $8,528,498. Raw cotton imported during the month alone value C.G.U. 4,386,507 with British India, including Burma, supplying more than 50%. Raw cotton from the United States during the month is valued at C.G.U. 1,909,823.

Candles, soap, oils, fats, waxes, gums and resins are second with the gross value of C.G.U. 4,109,133 or $7,733,388. Cereal and flour are third with a gross value of C.G.U. 4,029,591 to $7 853,690. Wheat imports that category were valued at C.G.U.7,921,845.

Miscellaneous metal manufactures came fourth with a gross value of C.G.U. 2,979,622 or $5,607,649. Metal and Ores are next with a total value of C.G.U. 2,597,923 of $4,889,291. Tobacco imports followed closely with a value of C.G.U. 2,335,202 or $4,394,-850. Leaf tobacco leads in that category with a total value of C.G.U. 2,219,569. A total of 24,151 cases of 500's of cigarettes and 20,908 cases of 50's of cigars were imported during the month.

The category of books, maps, paper and wood pulp is another biggest item n the imports during the month, the gross value being C.G.U. 1,780,969 or $3,357,784, C.G.U. 1,692,465 or $3,185,219 worth of dyes, pigments and varnishes were imported. The other main items of import are chemicals and pharmacentical supplies.

The category of animals and animal products, not including hides, leather and skins and fishery and sea products, not the exports during the month with a gross value of C.G.U. 1,910,750 or $3,596,-043. Yarn, thread, plaited and knited goods are second with C.G.U. 1,793,230 or $3,374,859.

The value of textile fibres exported during the month was C.G.U. 1,704,891 or $3,208,605, the third biggest in the list. Tea export was the fourth biggest item with a gross value of C.G.U. 1,149,121, or $2,162,646. Piece goods came the fifth, the total value being C.G.U. 1,012,300 or $1,980,428 for the month.

Oil tallow and wax exports were valued at C.G.U. 1,023,604 or $1,926,422 for the month. In the category on hides, leathers and skins, China exported commodities valued at C.G.U. 1,041,020 or $1,959,200.

President Wang Ching-wei Speaks on China's Productive Enterprises

President Wang Ching-wei, in an address at the weekly memorial service at the Executive Yuan in Nanking Feb. 19, made a detailed report on the work of the Central Government in the promotion of the various productive enterprises during the past two years—with especial reference to the construction of railways and the development of other means of communication including postal and telegraphic communication, shipping and civil aviation.

President Wang re-affirmed the policy of the government to put domestic affairs in order as a step towards the improvement of China's international position, and the solution of her diplomatic difficulties.

Referring to the joint circular telegram issued by himself and General Chiang Kai-shek on February 11, in which they reiterated the importance of national unity in the momentous task of national salvation and self-preservation, President Wang said that this task can be achieved only by the suppression of the Communist bandits and the promotion of the national productivity. Under the able direction of General Chiang and due to the loyalty and bravery of the rank and file of the bandit-supporession forces, the successful conclusion of the bandit-suppression campaign is now within sight. The government is now concentrating its full attention on the task of developing the various productive enterprises.

Foreign Criticism Answered

Referring to the criticisms of foreign creditors that the Chinese Government has sometimes failed to pay oft its obligations on maturity, President Wang said that on this matter the National Government wishes to call the attention of its creditors to the following two points:

In the first place, the failure of the government to liquidate its debt obligations has sometimes been due to sudden and unexpected turns in the political situation. This happens not only in China but also other countries. In the second place, Mr. Wang continued, China's foreign creditors should understand that the Chinese Government has no intention whatsoever to evade the repayment of its matured loans. Such repayment however can be effected only when railway business in China is well developed—when the government is able to pay with the profits earned from railway traffic. For this reason, he hoped that the various foreign creditors would co-operate with the Chinese Government. The best proof of the determination of the government to pay off its foreign railway obligations, he emphasized, is given by the fact that the government has already paid off a number of such matured obligations.

What a joy children are—yet how many anxious hours they cause us! When the loved little one is unwell the mother is often distraught with anxiety through not knowing what is wrong and what to do to relieve the child's suffering and distress.

It is on such occasions as these that Baby's Own Tablets are of the utmost value. Kept ready in the home they usually prove just what is wanted, by their prompt yet mild action on the whole system through the stomach and bowels quickly setting matters right.

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Price 65 cents

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Price 20 cents

These booklets are reprints of articles originally published in **The Review.** They are interesting contributions on recent tendencies and developments in Far Eastern Diplomacy and are well worth reading. Send orders to the undersigned:

THE CHINA WEEKLY REVIEW

38 Ave. Edward VII
Shanghai.

67-555

New Books of Interest in the Far East

France and the Modern World

The French Revolution and Napoleon, by Leo Gershoy (Associate Professor of History at Long Island University); published by F. S. Crofts & Co., New York City.

Our Genial Enemy, France, by Edwin D. Schoonmaker; published by Ray Long and Richard R. Smith, Inc., New Cork City.

Professor Gershoy's volume adds nothing new to the realm of facts about either the French Revolution or Napoleon I, but the reviewer knows of no other equally brief presentation of the period covered that gives quite so clear a view of events and their significance. Within 534 pages, Professor Gershoy outlines with admirable precision the origin and development of the revolution and the role played by Napoleon in capitalizing its essence to chart the course of French bourgeois imperialism that has continued to the present day.

The essence of the French revolution was the violent and almost complete destruction of feudalism in the country with the concurrent rise of the bourgeoisie to both political and economic dominance. Not even the most radical of the revolutionary groups —the Montagnards who were the leaders of the Jacobin clubs and indorsed by the Commune—believed in any form of communism. All stood for the institution of private property; the only differences of opinion were over how many concessions should be made to the masses, both proletarian and peasant. Thanks largely to the radicals who instituted the reign of terror, enough concessions were made, particularly in creating an immense class of land-owning peasants, to establish such a solid bourgeois state that it has endured to the present day with little fundamental change, and it appears to be still going strong despite defeats in war, the Commune of some 60 years ago, and recent bloody riots.

Superficially, of course, there have been changes. When Napoleon became Emperor he revived some of the old feudal trappings; later the Bourbons revived more of them, and Napoleon III succeeded in establishing a rather comic opera and costly Empire, but always the bourgeoisie have remained in full bloom to adorn the land with their choicest vices and virtues. The prime role of Napoleon I was that of a "strong man" to restore order after the revolutionary upheaval and give the bourgeoisie an opportunity to profit from their triumph. Although Professor Gershoy does not make it as clear as he should have, the real reason for Napoleon's wars was to crush, or at least sufficiently curb, the feudal world around France to assure the French bourgeoisie of safety for their existence and expansion. To be sure, Napoleon's own motive may have been his limitless personal ambition for empire,—but he would never have been able to carry out his schemes had they not conformed to the desires and needs of the class that he had to depend upon for support. And although in the end he met personal defeat, Napoleon scored numerous victories that still endure not only for the bourgeoisie of France, but also for the bourgeoisie of most of western Europe.

Many persons today apparently believe that Napoleon's seemingly mad rampage was highly costly to France, but as Professor Gershoy points out, the country "was prosperous, and her people enjoyed many material comforts" while his almost never-ending wars raged. They were paid for in large part by indemnities from the *feudal* lands he defeated. Meanwhile, "France's credit remained unimpaired, and her currency was sound;" even the peasants whose sons he conscripted for his adventures supported him practically to the end because "he was always extremely careful to maintain the revolutionary changes concerning the land."

The chief defect of Professor Gershoy's book is his professorial horror at the violence of the revolution. The "mob" that tore down the Bastille was doubtless quite naughty from a school master's viewpoint, but even a shocked scholastic could learn from a masonry expert that the prison wouldn't even have been dented by a storm of chapel resolutoins. Cutting off the head of Louis XVI also offends the professor's delicate sensibilities; verily, revolutions that amount to anything are violent,—but it should not be forgotten that their violence is only a dramatic epitome of the long-drawn out violence of the ruling class. Wherefore, tears seem not only unnecessary, but silly.

Mr. Schoonmaker's book appears written primarily to console his fellow-Americans on France's war debt default by telling them that the French are a pretty low lot compared to the citizens of God's country. Mr. Schoonmaker, of course, is quite right in proving that America owes no sentimental debt to France for her assistance in the American revolution, for the aid given was merely an item in a crusade against England. Further, Mr. Schoonmaker presents many little known facts of France's attempted use of her huge gold reserve in recent years as a political weapon not only against the United States, but also against other countries. Still further, he is quite right in assuming that France supported Japan in the conquest of Manchuria on the basis of a Franco-Japanese treaty of June 10, 1907, wherein the two countries agree to support each other in those regions of China "adjacent to territories where they have rights of sovereignty or protection or occupation" in order to assure "the peace and security of those regions with a view to maintain the respective situation and territorial rights of the two high contracting parties."

But when Mr. Schoonmaker asserts that "the French revolution has died as a force in the world, while the American revolution has lived on," and that France is a wicked imperialist, while America "accepts without qualification . . . . Liberty, Equality, Fraternity, for all nations," he makes himself ridiculous in the most asinine spread-eagle tradition. It is not in the least belittling to the American revolution to say that it was a small potato compared to the French revolution in world history; further, America's revolt against England was largely conditioned by the revolutionary ferment in France, and the net result of both revolutions was the same,—the establishment of the bourgeoisie as the dominant class in the modern world. As to America's unqualified acceptance of "Liberty, Equality, Fraternity, for all nations,"—well, just read the history of almost any nation between the Rio Grande and Cape Horn or, if more convenient, the annals of the Philippine Islands.

Whether France should pay her war debt to America to the last franc is a subject that cannot be discussed in this limited space, but it may be noted that there are many American bankers who want her to do just as she is doing,—default on obligations to Washington and pay those due to Wall Street. Anyway, this reviewer much prefers France's calm and cynical default to England's grudging and whining "token" payments.

W. B.

A Pioneer Missionary in Honan

Daniel Nelson, His Life and Work: By Mary Lee Nelson. The Mercury Press, Shanghai.

"The most splendid man I have ever known." Because she believed him to be that, Miss Mary Lee Nelson has written the biography of her father. She gives another reason in her preface which was the request from others for a biography of Daniel Nelson. After one reads the account of this remarkable man one likes and understands her frank statement, "I think my father is the most splendid man I have ever known and I have enjoyed writing about him." There is no pretension in a preface like that.

This book will not be a best seller. In fact its circulation will be rather limited. Daniel Nelson was not a killer of men, neither did he play with the destinies of men. He accumulated no notoriety and very little fame. The book merely deals with the life and work of a missionary. To some that is bound to suggest dullness and religiosity. It does nothing of the kind. There is not a dull page in the book. The reader is not stifled in ecclesiastical atmosphere It is a thrilling story.

Do you like a story of Vikings? Here is one. If you have read Johan Bojer's "The Last of the Vikings" you will like this biography. Daniel Nelson, the Norse fisherman, braved the perilous waters about the Lofoten Islands. Then he sailed the seven seas. Years ago he went down with his ship off the coast of Japan. Part of the crew was saved by clinging to the wreckage. After being in the water twenty-four hours they were picked up by some Chinese fishermen. Daniel Nelson never forgot this act of kindness.

Having visited the United States during his sea voyages Nelson decided to emigrate there after his marriage to Anna Sandvig. Anna Sandvig wove the cloth and sewed the wedding suit of Daniel Nelson She possessed the quiet and devout religious nature of the Norse people and her influence on Daniel Nelson in this way was vital and fateful. Together they struggled for livelihood on the Iowa prairies. One recalls Ralvaag's "Giants in the Earth." Anna drove a coyote out of the room in which her child was sleeping. Daniel built his house with his own hands. Later he built another house. While nailing on the roofing he felt an urge to go to China to help those who had helped him. He fought the urge and finally yielded. Mission Boards are not looking for ex-sailors to represent them. Nelson could not be dissuaded. He sold his home and went to China with his family. His experiences as a missionary in Honan are no less interesting than his experiences on a Norse windjammer.

Late in 1925 Wu Pei-fu attacked the forces of Feng Yu-hsiang at Sinyangchow, Honan. The Lutheran Mission Compound was in the line of firing It was not 'No Man's Land' because the place was filled with frightened people from the city. Old Daniel Nelson whose stout heart had weathered many a storm, knew how to handle such a situation. The fighting was very fierce for several days. One night a bullet pierced a barricaded window in the Nelson home and the brave old Viking who became an adventurer for God fell to his knees. This time it was not in prayer. The bullet had passed through his brain.

Today in the district where Daniel Nelson labored as a pioneer there is a strong self-supporting Church. That succinct statement is sufficient to prove the effectiveness of the man and "His Life and Work." More than a thousand years ago Ansgar went to Scandinavia with a story in his heart and on his lips which made those countries of the north forever different. The influence of Daniel Nelson in western Honan, felt or unfelt, will never be lost.

This book is not missionary propaganda. It is only a story of a great and good man. There is romance in it. It is simply and

beautifully told. Miss Nelson has an economy of style which seems almost like parsimony when the reader is anxious for more narrative. She writes with ease and restraint. There is no effusiveness in her delineation of her father. There is nothing maudlin in this genuine tribute. Her careful restraint is shown in the single reference to her brother, Bert Nelson, who was carried away by communists several years ago, never to be seen again. Poignantly, but with utter lack of sentimentality, she tells how thirteen-year old Bert had to be pulled off the train by force in America when the parents went back to China. His mother mended the matter by handing Bert her gold watch.

This is an interesting book about a "splendid man." My children have enjoyed it because of its simplicity and its adventures, I believe that even folks who are sometimes bored with missionaries. and often not without real cause, will enjoy this book.

PAUL P. ANSPACH.

Tsingtao, Feb. 15, 1934.

Opium as a Manchurian Problem

(From the Japan Chronicle, Feb. 15)

Unless Manchukuo is for its own sake anxious to suppress the opium traffic, it will be little use entering into working agreements. These by themselves would do nothing to achieve what the Geneva Committee is most anxious for—namely, the strict limitation of the production of opium. Manchukuo has no need whatever to import a single ounce of opium. It already produces too much, and though its homegrown poppies may not have a very high morphine content, it is quite high enough for "Manchu" chemists to extract all that their country can possibly require. For Manchukuo to import opium at all would be evidence of no desire in the world to assist in suppressing drug abuses, so the proposal to permit the import under Hsinking certificate is unnecessary, apart from the question of the difficulty of the League of Nations having commerce with a Government which it has emphatically refused to recognize. It is possible that ordinary legitimate trade will being about conditions that will almost compel the Powers to recognize the new State, but it would not be a good beginning for the League of Nations to recognize the new Government's right to participate in a business which was expressly denied to the old one.

The opium problem still remains a very difficult one. In fact, with a large number of Japanese and Chinese chemists acquiring the technique of the extraction of morphia, the difficulties of the suppression of the trade become very much greater. One curious development is the anxiety expressed by the Government of the United States regarding the existence in Shanghai of a widespread organization for the smuggling of drugs into the United States. In a country of such vast extent and heterogeneous population, there is a considerable field for the purveying of drugs; and there is also a technique of smuggling that, with practice, has become almost perfect. And now we find China menacing other lands with her drugs instead of others menacing her. So long as opium legislation was required only for protecting China, the issues were comparatively simple. Now that other countries also need protecting otherwise than by their own Customs services, the problem is decidedly more complicated. It is hard to say which causes the more anxiety—the failure in China to enforce the law, or the existence of a new State formerly a part of China which has no international obligations.

King of Belgians Killed in Mountaineering Accident

Albert I, King of Belguim, was killed Feb. 17 five miles from Namur as the result of a mountain climbing accident. Prince Leopold, Duke of Brabant and Heir Apparent, who was in Switzerland at the time of King Albert's death, has succeeded to the Throne.

T. V. Soong, former minister of finance, was decorated by the late king during his tour of Europe following his attendance at the World Economic Conference last year. China's minister to Belgium is Chang Nui-yen, and Baron Jules Guillaume is Belgium's minister to China.

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CUSTOMS NOTIFICATION NO. 1341

With reference to Customs Notification No. 1,330, the public is hereby notified that, in accordance with Government instructions, rice, paddy, wheat and wheat flour from Manchuria will in future be treated as foreign and that import duty will accordingly be levied on all such commodities applied for on and after the 1st March, 1934.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 20th February, 1934.

Help Build The Leprosarium You Help Uplift Humanity

China is estimated to have at least 1,000,000 lepers—one third of the world's total. Shanghai alone has more than 2,000—four-fifths of them are unregistered. Think of such a huge multitude of lepers existing amongst us, unnoticed and uncared for. Think of their multiplying, spreading their deadly disease and ruining thousands of lives which might have been saved by proper care in a well managed institution such as the National Leprosarium of China we are about to build.

More than $40,000 has been already pledged. Now we need only $60,000 MORE

to complete this long needed humanitarian project.

Let us help get rid of this "Untouchable" disease. Let us make Shanghai a safer and cleaner place to live in by contributing whatever we can towards the building fund of the NATIONAL LEPROSARIUM OF CHINA.

It's for your own safety as well as for the well-being of these poor lepers that we should liberally give. Send your donations to any of the following institutions.

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National Commercial Bank,
Hongkong & Shanghai Banking Corp.

or

CHINESE MISSION TO LEPERS

20 Museum Road, Shanghai Telephone 19772

67-557

Real Estate Review by Realty Investment Co.

A loan of $18,000,000, reported to be the largest single transaction in the local real estate history was announced as completed during the past week. The loan is secured by a mortgage on certain properties in the central district, and is for a long term of years at a conservative rate of interest. It was financed by Central Properties Limited and shares are held by a powerful and influential group of Chinese Bankers and other financiers.

The next step in the development of the Shanghai civic center announced during the week is the construction of a modern wharf and warehouse at the mouth of the Jukong Creek and the extension of the Shanghai-Woosung Railway to the water front. The City Government of Greater Shanghai is also considering the linking up of existing transportation in Nantao with Chapei and civic center via Chungshan Road. As the city treasury is at present unable to finance these projects, the officials are said to be considering inviting local merchants and financiers to undertake construction projects with franchises protecting their interests.

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THE PAN-PACIFIC CULTURAL ASSOCIATION

Has reprinted for general distribution in pamphlet form the treatice by the late B. H. Chamberlain, Emeritus Professor of Japanese and Philology at the Imperial University of Tokyo, entitled,

"THE CREATION OF A NEW RELIGION"

The pamphlet contains in its 10 pages a complete exposition and analysis of Shintoism and Empire-worship, regarding which the world is now beginning to hear so much along with the so-called doctrines of Pan-Asianism and Asiatic Monroe Doctrine.

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The National City Bank of New York, Rates of Exchange

Shanghai, Feb. 21, 1934

Demand selling rate on America:	U.S.$100=Sh. 288.29
Demand buying rate on America:	U.S.$100=Sh. $285.71
Demand selling rate on London:	£1 0.0.=Sh. $14.601
Demand rate on buying London:	£1.0.0=Sh. $14.436

67-558

Latest New York Stock Exchange Quotations

Market—Steady Business Done 1,220,000 Shares

February 21, 1934

1933-34 High	1933-34 Low	Div. $ per Sh.	STOCK	Mon. Feb. 19	Tue. Feb. 20
13¾	3	—	Adams Express	10⅞	10⅞
33	11⅛	0.60	Alaska Juneau	22⅛	22⅛
160	70¾	6.00	Allied Chemical & Dye	156	158¼
107⅛	19½	4.00	American Can	104⅞	106¼
19⅝	5⅞	—	American & Foreign Power	11⅜	11⅝
44⅞	7¼	—	American & Foreign Power 7% Pfd.	26	25½
58½	23⅝	5.00	Amer. & For. Power 5% debs. of 2030	53¼	53
27⅝	3⅛	—	American Metal Company	26	26¼
53½	10¾	—	American Smelting	48⅝	48¼
134¾	86½	9.00	American Tel. & Tel.	122	122⅞
94¾	50¾	5.00	American Tobacco "B"	76½	76
43¼	10⅞	1.00	American Waterworks	22⅞	22½
80	35	6.00	American Waterworks $6 preferred	Unq.	Unq.
22⅞	5	—	Anaconda Copper	16½	16⅝
18⅝	5⅞	—	Atlas Corporation	14¼	13⅞
84¼	31	2.00	Auburn Automobiles	54¾	55⅜
37⅞	8¼	—	Baltimore & Ohio	33½	33⅜
49½	10⅛	—	Bethlehem Steel	47⅝	48
37⅞	18	1.60	Borden Company	24¼	24⅜
28½	5½	0.25	Borg Warner	27	27¼
20⅞	7¼	—	Canadian Pacific Railway	16¾	16½
103½	30½	—	Case, J. I.	79¼	80
47⅞	16⅝	1.40	Chase National Bank	30½	29½
52½	14⅞	2.50	Chesapeake Corporation	42⅜	43⅝
59⅞	7⅝	0.50	Chrysler Corporation	58¼	59¼
46	25	5.50	Cities Service Power & Light 5½s/52	45	44
28⅛	9	0.50	Columbia Gas & Electric	16⅝	16⅞
6⅛	1⅝	—	Commonwealth & Southern	3	3
64⅞	¥34⅛	3.00	Consolidated Gas of N. Y.	41¾	41¼
20¼	4⅞	—	Continental Oil	19⅞	19⅞
9	2⅝	—	Coty Inc.	7⅝	7⅝
5⅞	1½	—	Curtiss Wright Company	4½	4⅜
102¾	32⅛	*2.00	Du Pont de Nemours	101¼	102
91¾	46	3.00	Eastman Kodak	92	Unq.
41⅝	10	—	Electric Bond & Share	19⅞	19⅝
66	25	6.00	Electric Bond & Share $6 preferred	50	55½
15⅝	3⅛	—	Electric Power & Light	8	7½
19	12	—	Fox Film "A"	16½	16⅜
10¾	2⅞	—	General Aviation	6⅝	6⅞ ?
30¼	10½	0.40	General Electric	22⅞	22¾
39⅞	21	1.50	General Foods	35	35¼
41½	10	*1.00	General Motors	40¼	40⅜
49½	13¼	1.00	General Railway Signal	41¼	41¼
27⅞	12	1.20	Gold Dust	20⅜	20½
47½	9¼	—	Goodyear Tire & Rubber	40½	40¾
80¼	27¾	2.00	Goodyear 7% Preferred	70½	70¼
40	6⅛	—	International Cement	34	Unq.
46	13⅝	0.60	International Harvester	44⅞	44½
23⅛	6¾	—	International Nickel	23¼	23½
21¾	5⅛	—	International Tel. & Tel.	15½	15⅜
69½	20⅛	4.50	Int. Tel. & Tel. conv. 4½s of 1939	66	65½
65¼	12¼	—	Johns Manville	62½	62½
26	7⅝	—	Kennecott	21	21⅛
79⅝	37½	2.40	Lehman Corporation	76½	Unq.
99⅝	40½	*4.00	Liggett & Myers "B"	86¼	86
36½	8½	1.00	Loew's Inc.	32⅞	33
25¼	10⅝	1.20	Lorillard P. (Com.)	17⅞	17⅞
33¾	8⅝	—	Montgomery Ward	33⅜	33¾
64¼	16⅞	1.00	National City Bansk (bid price)	31½	31
41⅝	5⅝	—	National Distiller	27	26¾
60½	34	5.00	New England Grs & Electric 5s 1947	56⅜	55½
58½	14	—	New York Central	41⅞	42
36½	12¾	8%S	North American	22	21⅝
96¾	31½	2.00	Owens Illionois Glass	90	90½
31⅞	15	1.00	Pacific Gas & Electric	20½	20¾
6⅞	1⅜	—	Packard Motors	5	5½
42½	13¾	0.50	Pennsylvania Railroad	37	37⅛
6⅜	1⅛	—	Pennroad Corporation	3⅞	3⅞
19¾	4¾	—	Phillips Petroleum	17½	17½
12¼	3	—	Radio Corporation	8⅛	8¼
54¼	26½	3.00	Reynolds Tobacco "B"	40⅝	41⅜
50⅞	12½	—	Sears Roebuck	49¼	49¾
19½	6	1.00	Socony-Vacuum Corporation	17¾	17⅞
28	14¼	2.00	Southern California Edison	19¾	20⅛
22½	5⅛	—	Standard Gas & Electric	14⅛	14⅛
77	35	6.00	Standard Gas & Elec. 6% notes 1935	72¾	72
49⅛	22¾	1.00	Standard Oil Co. of N. J.	48½	48⅜
60¾	46	3.80	Sterling Products	56¼	51¼
8⅜	1½	—	Studebaker	8¼	8⅜
30⅛	10¾	1.00	Texas Corporation	27¾	28
9⅛	2⅝	0.12	Transamerica	7⅛	7⅜
51⅞	19¾	1.00	Union Carbide & Carbon	47¾	48½
132¾	61¼	6.00	UnionPacific	132½	131½
46⅞	16½	—	United Aircraft & Trans.	21	32⅛
14½	4⅛	—	United Corporation	7½	7¼
25	14	1.20	United Gas Improvement	18⅜	18⅜
25	2⅞	—	U. S. Rubber	21⅛	21
67½	23⅜	—	U. S. Steel	58	58½
51½	21½	*2.00	Universal Leaf Tobacco	43⅝	Unq.
36¼	7⅝	—	Vanadium	29½	30¼
9⅛	1	—	Warner Bros. Pictures	7¼	7¼
58¾	19⅜	—	Westinghouse E. & M.	43⅞	43¼
53½	25⅛	2.40	Woolworth	50¾	51¼

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